



PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96925
Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445
Website: www.portguam.com



Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

April 9, 2018

Dr. Jeff Johnson, Chairperson
Public Utilities Commission
Suite 207, GCIC Building
414 West Soledad Avenue
Hagåtña, Guam 96910

Subject: Rate Change Petition; Marina Fees

Hafa Adai! Mr. Chairman:

As you know, the Port Authority of Guam ('Port') filed a petition on the matter of our intent to modify the facility user fees for the Gregorio D. Perez Marina, the Agat Small Boat Marina, and the Harbor of Refuge for the Public Utilities Commission's ('PUC') review and consideration.

As mentioned in our initial filing, and in order to further bridge any potential disconnect that may exist between the Port and our valued tenants, we conducted Marina Outreach proceedings on January 19, 2018 and March 19, 2018. We do acknowledge and understand that that these proceedings are separate from the rate payer public hearing(s) expected to be facilitated by the PUC.

Provided herein are documents associated with our outreach effort:

1. Marina User Outreach – January 19, 2018
 - a. Presentation
 - b. Minutes
 - c. Sign In Sheet
 - d. Letter from Tasi Tours Inc.
2. Marina User Outreach – March 19, 2018
 - a. Presentation
 - b. Minutes
 - c. Sign In Sheet
 - d. Letter from Mr. John Q. Taitano
3. Summary of comments/concerns from both meetings

Letter to Chairman Jeff Johnson
Subject: Rate Change Petition; Marina Fees
Page 2

Related to this process is the Port's intent to revisit the use rate structure as it affects utilities consumption. The current structure is such that current and proposed rates are for both vessel storage and utilities consumption. With the exception of the rate for the Live-a-board category, the utilities component of the proposed rate structures is not affected.

To address this, the Port is actively pursuing the outright purchase of individual meters to track the consumption of water and power for each dock pedestal at all the new slips at the marinas. This initiative is consistent with the recommendations contained in the Captain Report approved by the Port Board of Director's. We certainly feel that it is only fair that our valued tenants pay for their portion of utilities based on their actual consumption, nothing more...nothing less.

If you would like to discuss this matter further, or should you require additional information, please contact this office at 477-5931, extension 301. Thank you.

Sincerely,


JOANNE M.S. BROWN
General Manager

CC: Deputy General Manager, *Admin. & Finance*



Marina User Fee Outreach

Submitted to:
Guam Public Utilities Commission
P.O. Box 862
Hagatna, Guam 96932

Submitted by:
Port Authority of Guam
1026 Cabras Highway Suite 201
Piti, Guam 96925

April 2018

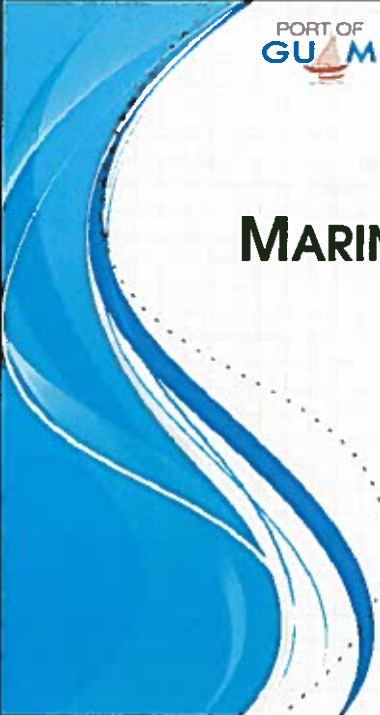
TABLE OF CONTENTS

PRESENTATION SLIDES/HAND OUTS (1/19/2018).....	1A
MINUTES.....	1B
SIGN-IN SHEET.....	1C
LETTER FROM TASI TOURS & SKOOCUMCHUCK CHARTERS INC.....	1D

PRESENTATION SLIDES/HAND OUTS (3/19/2018).....	2A
MINUTES.....	2B
SIGN-IN SHEET.....	2C
LETTER FROM JOHN Q. TAITANO.....	2D

CONCERNS AND RESPONSES	3A
-------------------------------------	-----------

Tab 1A



PORT OF GUAM PORT AUTHORITY OF GUAM ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port

January 19, 2018

MARINA USER FEE CHANGE

User Informational Outreach on the petition filed with the Public Utilities Commission for the Proposed User Fees for the Gregorio D. Perez and Agat Small Boat Marina

AGENDA

- Purpose
- Overview
- Fee History
- Consulting Report
- Filing of Rate Change Petition
- Moving Forward

Purpose

- User Outreach on the proposed changes to certain user fees for the boating facilities under the jurisdiction of the Port
- Rate petition by the Port to revise the user fees for the Agat Small Boat Harbor and the Gregorio D. Perez Marina was filed with the Public Utilities Commission

Overview

- Support boater population (300+)
- Critical to visitor industry (250,000+ visitors)
- Fair to Excellent condition

Agat Small Boat Marina	Gregorio D. Perez Marina
99 Slips 65 Tenants	42 Vessel Slips 58 Tenants
	
<u>Marina Related Revenues - FY'17 was \$270,089.08</u>	

Fee History

- Marina Rates have not been subjected to any major revisit since the facilities were administratively turned over to the Port through Public Law 17-01
- Last change to the rate structure was done through the approval of the current Marina Rules and Regulations
 - Impact of then day rate change applied solely to the Gregorio D. Perez Marina
 - The rates for the Agat Small Boat Harbor were not affected
- Petition by the Port to modify fees filed in 2009 was denied by the PUC in 2011 for reasons related to the dilapidated state of the marinas

Fee History...cont

Agat Small Boat Harbor Gregorio D. Perez Marina

Recreational			Recreational			Prior (pre-2007)		
	Prior (pre-2007)	Current		April-Nov	Dec-March	Current		
25'	\$ 137.50	\$ 137.50	Under 16'	\$ 15.00	\$ 10.00			
40'	\$ 220.00	\$ 220.00	16'-23' (20')	\$ 18.00	\$ 12.00	\$ 40.00		
60'	\$ 330.00	\$ 330.00	24'-39' (30')	\$ 30.00	\$ 20.00	\$ 60.00		
			40'-over	\$ 40.00	\$ 30.00	\$ 80.00		
			OB/vsft			\$ 1.50		
Commercial			Commercial					
25'	\$ 212.50	\$ 212.50	25'			\$ 70.00		
40'	\$ 340.00	\$ 340.00	30'			\$ 105.00		
60'	\$ 510.00	\$ 510.00	40'			\$ 140.00		
			OB/vsft			\$ 2.50		
Liveaboard			Liveaboard					
25'		\$ 162.50	20'			\$ 120.00		
40'		\$ 260.00	30'			\$ 180.00		
60'		\$ 390.00	40'			\$ 240.00		
			OB/vsft			\$ 5.00		

- ## Consulting Report
- Port retained the services of Captain and Associates ('C&A') to, among other things, revisit the Marina User Fees
 - The comprehensive Report was completed on October 31, 2016
 - C&A valuation methodology was based primarily on comparative analysis

Adoption of Report Findings

- At the recommendation of staff, the Port Board of Directors adopted the findings contained in the "Consulting Report Update regarding Recommendations Including Marina Fees..." on February 13, 2017
- Executive decision made to implement the proposed fees during the 2018 lease year

Marina User Fees - As Proposed

RECREATIONAL

<u>Slip Length</u>	<u>Old rate</u>	<u>Recommended</u>	<u>Recommended</u>
<u>Agat Small Boat Harbor</u>	<u>(\$/ft/mo)</u>	<u>New Rate</u>	<u>Rate Change</u>
		<u>(\$/ft/mo)</u>	<u>(\$/ft/mo)</u>
25'	\$5.50	\$5.00	(\$0.50)
40'	\$5.50	\$5.50	\$0.00
60'	\$5.50	\$6.00	\$0.50
<u>Gregorio D. Perez Marina</u>			
20'	\$2.00	\$5.50	\$3.50
30'	\$2.00	\$6.00	\$4.00
40'	\$2.00	\$6.50	\$4.50
OB	\$1.50	\$3.00	\$1.50

Marina User Fees...cont

COMMERCIAL RATE

<u>Slip Length</u>	<u>Old rate</u> <u>(\$/ft/mo)</u>	<u>Recommended</u> <u>New Rate</u> <u>(\$/ft/mo)</u>	<u>Recommended</u> <u>Rate Change</u> <u>(\$/ft/mo)</u>
<u>Agat Small Boat Harbor</u>			
25'	\$8.50	\$8.00	(\$0.50)
40'	\$8.50	\$8.50	\$0.00
60'	\$8.50	\$9.00	\$0.50
<u>Gregorio D. Perez Marina</u>			
20'	\$3.50	\$8.50	\$5.00
30'	\$3.50	\$9.00	\$5.50
40'	\$3.50	\$9.50	\$6.00
OB	\$2.50	\$4.25	\$1.75

Marina User Fees...cont

LIVE ABOARD RATE

<u>Slip Length</u>	<u>Old rate</u> <u>(\$/ft/mo)</u>	<u>Recommended</u> <u>Rate Change</u>		<u>Total</u>	<u>Rate</u> <u>Change</u>
		<u>Slip (\$/ft/mo)</u>	<u>(\$/ft/mo)</u>		
<u>Agat Small Boat Harbor</u>					
25'	\$162.50	\$125.00	\$100.00	\$225.00	\$62.50
40'	\$260.00	\$220.00	\$100.00	\$320.00	\$60.00
60'	\$390.00	\$360.00	\$100.00	\$460.00	\$70.00
<u>Gregorio D. Perez Marina</u>					
20'	\$120.00	\$110.00	\$100.00	\$210.00	\$90.00
30'	\$180.00	\$180.00	\$100.00	\$280.00	\$100.00
40'	\$240.00	\$260.00	\$100.00	\$360.00	\$120.00
OB	\$5.00/ft/mo	Varies	\$100.00	Slip Fee + \$100	

Rate Change Petition

- Public Law 30-52 placed the Port under the oversight of the Public Utilities Commission ('PUC') for matters related to the establishment or modification of rates and other charges
- The Port filed the Rate Change Petition for the Marina Fees subject to this proceeding with the Public Utilities Commission on January 8, 2018

Petition... cont

- Pursuant to the Ratepayers Bill of Rights, the PUC will be required to hold a series of formal public hearings on the proposed fees party to the petition
- Thereafter, the ALJ will present his findings and recommendations to the PUC commissioners for their consideration as to whether the proposed fee are 'just and reasonable'.

Progress and Moving Forward

- Past Projects
 - Substantial repair has been conducted at the marinas
- Future Projects
 - Future CAPEX
- Alternative Management Regime

Recent Projects – Fiscal Year

- 2011
 - GDP Marina Dock A Repair - \$253,000
- 2012
 - GDP Renovation and Site Improvements – Phase I - \$1,498,192
 - GDP Marina Dock B Repair - \$318,000
 - GDP Dock C Repair - \$278,700
 - GDP Dock A&B Piling Extension - \$96,230

Project Summary... cont

- 2013
 - GDP Marina New Waterlines - \$119,600
 - GDP Marina Renovation and Site Improvements Phase II - \$1,735,691
- 2014
 - Agat Small Boat Harbor Dock A Repair - \$532,100
- 2015
 - Agat Small Boat Harbor Dock C&D and Floating Improvements - \$1,593,208
 - Agat Small Boat Harbor Catwalk Repair - \$58,000

Project Summary... cont

- 2015
 - Agat Small Boat Harbor Dock C&D and Floating Improvements - \$1,593,208
 - Agat Small Boat Harbor Catwalk Repair - \$58,000
- 2016
 - GDP Marina Renovation of Pumpout - \$78,800

Anticipated CAPEX

- 2018
 - GDP Marina Coin Operated Pressure Washer - \$45,950
 - Harbor of Refuge Mooring Renovation and Pump out - \$500,000
 - Agat Small Boat Harbor Dock B Removal - \$109,522
 - Agat Small Boat Harbor – Shore-side Assessment, USACOE - \$262,000

PENDING CAPEX...

- GDP Marina Renovation and Site Improvements Phase III - \$2.5M
- Agat Small Boat Harbor Dock B Replacement – est.\$800K

Alternative Management Regime

- Alternative Management Regime Study - this study was funded by the USDA. The purpose of the initiative was to conduct a comprehensive review of the marinas and associated operations.
- Considered in the study were Public Sector Operation, Public Sector Operation (As Improved), Privatization and Joint Public Private Partnership to determine the best/ideal business model to implement at the marinas.

THANK YOU

COMMENTS ARE WELCOMED

Tab 1B

1
2
3 **Marina User Outreach; Proposed Marina User Fee Change**
4 **Guam Fisherman's Cooperative Association Facility, Hagatna, Guam**
5 **January 19, 2018, 6:00 p.m.**
6
7
8

9 **INTRODUCTION:**

10 **Glenn Nelson**: Welcoming remarks and Introduces Mr. Alfred Duenas
11 and PAG Staff that are present. Informs group on the rules of
12 engagement for slide presentation and availability of comment sheets.

13 **Alfred Duenas**: Brief opening remarks

14 **Ryan Arriola**: Begins slides:

15 I. Agenda

16 a: Purpose

17 b: Overview

18 **Carl Quinata**: Begins slides:

19 c: Fee History

20 d: Consulting Report

21 **Glenn Nelson**: Begins slides:

22 e: Filing of Rate Change Petition

23 f: Moving forward

24 II. Public Comments

25 **Peter Plummer**: Economy at its lowest and he is not able to afford the
26 new slip fees. And asks if other locations were included in the
27 studies/evaluation.

28 **Glenn Nelson**: Yes. CNMI and Hawaii.

Marina User Group Outreach
Proposed User Fee Change

1 **Felix S. Reyes:** Were there any public hearing?

2 **Glenn Nelson:** Explains the procedure and that this is the beginning.

3 **Felix S. Reyes:** I wanted to see the positions you have on those. Number
4 one I didn't see any on the Agat Marina, ongoing repair or maintenance
5 of the Launching ramp. Or repair of the Launching ramp right now. The
6 wood had corroded and now a metal bars are sticking out and in fact I
7 have a 2 inch gash on the bow of my boat, cause the wind took my
8 boat into that metal thing, and It's still there.

9 2). What about the pump out facility down at the Agat Marina? We use
10 to use that with the Co-op during the derbies to weigh the fish as we
11 come ashore, now with the co-op, we're relegated to the ground
12 underneath the coconut trees on the side, and the folks that bring in the
13 marlin would have to carry that up their boats instead of having a facility
14 where we can put a winch. So, any kind of support that you can give us
15 to help us facilitate our events using those Marinas would really help.

16 3). Thirdly, I hope that you put more consideration into a balance
17 between recreational users and commercial users. And with that I will
18 follow up with 1 questions, has the port done any kind of a study or an
19 analysis on the users of both marinas, commercial users, passengers
20 going in and out daily, over so many years? What's the economic value
21 of that usage?

22 4). My last question, can we see the Study that was done by Captains
23 and Associates?

24 **AlDuenas:** As far as the commercial users of both Marinas, they do
25 have the numbers and everything else and can be made available. We,
26 ourselves have done an actual 8 to 5 count down at Agat of the
27 various types of activity down there, whether it would be dolphin
28 watching, fishing, commercial fishing, recreational fishing on charter,
29 scuba diving, snorkeling and all the other things that is often offered

Marina User Group Outreach Proposed User Fee Change

1 down there. We have done an actual count, down there of the
2 endeavor's and we are formulating our final analysis of it and I believe
3 you'd be pretty surprising for people to find out what the results are.
4 Likewise, we have done the same thing down in Agana, and again, as
5 all of you know, the use of Agana and everything else on the
6 commercial side is dictated by, weather conditions. The only thing that
7 is happening down here (Agana) now is pretty much the parasailing
8 industry, to a small extent and, more so the parasailing and the charter
9 fishing. Those are the 2 activities that we have here. We don't have the
10 dolphins, that function is transferred from here to Agat, cause it's more
11 conducive this time of the year for that particular type of activity. So we
12 are doing our best to actually, physically count the activities on both
13 marinas with the various activities and we will be comparing that with
14 the count that we will be receiving, or that we already have available
15 from commercial entities and to look at the stability and accuracy of
16 their count versus our count. Which is higher or lower? And why the
17 difference between their count and our count. We already know why it
18 would be but we want to confirm it. Now as far as the other facilities
19 down in Agat that you mentioned, I believe we don't have anything in
20 the works for the boat launch area? But we will look into it. So, we are
21 working on the other 2 issues for the Agat Marina.

22 **Glenn Nelson**: Within the last couple weeks, I for one, we basically do as
23 we are told, and we are dealing with the study that was based on the
24 appraisal methodology of comparative analysis. He is serious when he
25 says he has the numbers. He made sure he had that information to
26 supplement the information that provided by Mr. Captain, (Captain's
27 and Associates) in his comprehensive analysis. It's more or less his part in
28 ensuring that we cover all our bases and we do understand that
29 typically with the commercial users come more wear and tear,
30 expected from their extra ordinary activities. But going back to Mr.
31 Quinata's presentation, when he was talking about the commercial
32 rates for the various facilities, he did make reference to the one thing

Marina User Group Outreach Proposed User Fee Change

1 glaring that is absent on this particular study is the per passenger fee. But
2 the study did identify the need for potential revenue resources in
3 implementing a per passenger fee. Now, Mr. Duenas, under his
4 guidance, he basically, what we are not going to do, is come before
5 your or the PUC and basically say that we want to implement the per
6 passenger fee if we are not ready. We are going to get spanked by you
7 as well as the PUC, but we do plan to do so in the near future when we
8 have some lock box mechanism in place for those associated fees to go
9 back directly to the marinas for such things, like the replacements of
10 Dock A, in Agana. We all know its wood frame, composite top. For
11 everything else, its aluminum frame, composite top. And while we are
12 dealing with the life expectancy of 15 years, you start doing the planning
13 to replace it, even during years 9 and 10, and that's currently what he
14 has us doing.

15 **Dan Ridlon:** Glenn, first off thank you, I appreciate not just reading the
16 information but also providing us the information, you have a wealth of
17 knowledge we don't have. The one question I do have, do we actually
18 still have an input? These aren't just gonna be forced down our throats?
19 We can actually make comments and they might matter?

20 **Al Duenas:** PUC will conduct a public meeting and it's up to you to
21 either send in your comments or come in and deliver to them personally.

22 **Dan Ridlon:** Alright, It's just that I was at the last meeting. So, It's good to
23 know that we still have a voice and maybe something will happen.

24 **Al Duenas:** This is just the 1st step of series of meetings.

25 **Dan Ridlon:** It's like Pete says, he's commercial and his numbers are
26 down. I'm a recreational but my income is down. So what I'm saying is
27 this study, everything was years ago when the economy was a lot
28 different. You know my income is 70% down as a personal person, so I'd
29 have to pay additional money for my slip, it is a hardship for me, never

Marina User Group Outreach Proposed User Fee Change

1 mind that the tourist industry is down and the people that use it for
2 business. Their numbers are down.

3 **Al Duenas**: And you flip that with the \$.15 cents per gallon on the
4 increase of fuel which is gonna pretty much limit the trips going out.

5 **Dan Ridlon**: That's for the roads, and we shouldn't be passed on to the
6 boaters. But that's another story. But, it's nice to know that we still have
7 input and that we can go online and actually. But one thing I'd like to
8 put out, and not only is the economy had gone down since the study
9 was done, and we shouldn't be paying this. The other thing is, an
10 additional way to get fees in, every place I know of in the states,
11 probably in the world, talking about Delaware, is the trailer boat? They
12 have to get a sticker and they have to pay. Every day I'm down at my
13 slip the trailer boats are in and out, and are using the water. If there is no
14 one in a slip, they will use that slip, use that water. I've brought this up, I
15 don't know how many times, but an additional source of income would
16 be to make the trailer boats, when they go to register their boats, show
17 that they have a slip and if they don't have a slip, they would have to
18 pay an additional amount of money and they get a sticker to put on
19 their trailer. There is no other place that I know of that doesn't have a
20 trailer boat use fee/ramp fee. So here you are, gonna charge us more,
21 and all these trailer boats still pay nothing and a lot of the trailer boats
22 are commercial. They've taking out scuba divers, they've taken out...
23 whatever, and I really think, and I've brought this up, and I don't know
24 how many times, that there has to be a ramp fee. And they say that,
25 awe, that's gonna be too difficult and too expensive to implement, but
26 all they have to do, is when they go up there, once a year, here's my
27 \$50.00 for my boat and they would have to say they would have to pay
28 for ramp fee, or No, here's my slip and okay, you are excused. And that
29 would be a way to get additional funds to help pay for what you guys
30 need and it will take away a little bit of burden off, of Us (tenants) who
31 have a slip. I'm sure I'm not the only one, but when I see people using

Marina User Group Outreach Proposed User Fee Change

1 everything, including when I come back in and I see someone using my
2 slip and using the water for free and now I'm gonna pay, I don't know,
3 \$200/month and they can come in and use my stuffs and get the water
4 for free, that's not fair. Anyways, I'm glad for this opportunity. Thank
5 you.

6 **Glenn Nelson:** Thank you for your comment. If I may add on to Mr.
7 Ridlon's concerns, do you guys often wonder who subsidizes all the
8 additional water being used at the wash down basin and all the other
9 people that tap on to the water on the outer basin? Well you guys as
10 tenants are basically paying for, were paying for the use of, for the most
11 part by most for people. Which is why we kind of identified that we
12 need about \$50K to install a coin operated pressure washer at the wash
13 down basin because consumption at the Agana Marina, that point of
14 consumption accounts for 30% for the entire marina. And you're dealing
15 with a facility, mind you, that makes \$50K a year, historically, but our
16 water bill says we exceeded as high as \$130K since I've been around, to
17 \$80K and last year \$22K. Half of the revenue being realized at the
18 Agana marina is being spent on water alone.

19 **Frank Quinata:** I'm curious to find out if you are paying sewer charges
20 for the water consumption at the Agana Marina water bill. If that's the
21 case, then you're ripping yourself off. So how do they figure what's
22 sewer and what's not sewer?

23 **Al Duenas:** Straight Water. No sewer.

24 **Glenn Nelson:** And that's the problem we are having at the Port
25 Authority of Guam, because we are dealing with the commercial
26 seaport that deals with 8 restrooms, 16 men and women's, 8 if you
27 combine them. But you're right, our sewage fee at the Port, Cabras
28 island is actually part of a formula based on consumption. So we use a
29 lot of water, but it's not being flushed brown. So yes, we are having that
30 problem. What we do have at the marina now are sub-meters. We do

Marina User Group Outreach Proposed User Fee Change

1 have the master meter that was installed by GWA. Dock A, we got 2,
2 one that measures going straight north and the other going east. Then
3 Dock B, Dock C, the wash down facility and then the 10 additional sub
4 meters on the outer basin, which at one time was being subsidized by
5 you folks within the greater marina harbor. Now that the tenants on the
6 outer basin are being metered, they are actually being charged for it.
7 So you guys are no longer paying for that. Our challenge is now, is with
8 the consumption at the wash down, and that's where the coin operated
9 system comes in, which counts for about 30, 40% of all consumptions at
10 the marina. But we have yet to get to that point of the solicitation until
11 we go before the board when we ask them for funding. We budgeted
12 for \$15K, but we need \$35K more.

13 **Jose San Nicolas**: I'm speaking on behalf of these people here okay, we
14 have alot of discrepancies in Agat. Safety comes first. Priority. Whether
15 tourists are there or local people walking in this area, the residential area
16 of the marina. I've travelled form the west coast to the east coast and
17 the marina down there, here I'm sorry to say this, but here on Guam it's
18 like a private marina. Over there on the east coast you can't even go
19 close to the marina since its fully protected. We give you business; you
20 give us service. Our main priority is the service. When I last came I asked
21 about the camera at D Dock in Agat and even Agana. It is mandatory.
22 Issue 2- the coconut tree. A lot of coconuts 50 feet above your head. A
23 lot of customers under those coconut tree. And if its falls, there it goes. Fix
24 it before it happens. And I've seen it happen. Responsibility of the
25 marina. Dogs are all over the place. They have about 5 dogs down there
26 and they have big teeth abou that big. They gather all over the marina
27 and Marina Grill under the extension. They have to remove these dogs
28 down there. That is the restaurant. The spot lights need to be addressed.
29 There is one southwest of that building facing outward at the outward
30 point is the big trees it useless, turn that thing up around and face it out
31 to D Dock. Because I see people jumping on that fence. We have to do
32 something about the cyclone fence from the harbor patrol all the way

Marina User Group Outreach Proposed User Fee Change

1 to the Agat grill. And secure the gate. Because I've been seeing kids
2 hoping and jumping on that rocks down there. And if one falls there is a
3 lawsuit for that. Fix it before it happens. The trees need to be removed in
4 the parking lot. They are useless. Complaining about power the light is no
5 service at all. Coming from the south entering the marina that light is not
6 sufficient to give you light to turn in to make a right turn in. you have to
7 fix those things down there. Give us the service and we can talk about
8 that. Thank you Mr. Duenas.

9 **Glenn Nelson:** Cameras - Mr. Duenas has a plan. It's a directive. He has
10 already provided the guidance. There is already a package being put
11 together to identify the marinas for cameras. Thanks to Uncle Frank we
12 got assets, we got eyes on Agana but we do not have that yet for Agat
13 Marina. Self-locking mechanism on your docks - When the marina docks
14 were actually repaired, our intent was to actually replace the locks with
15 self-locking mechanisms. Because tenants for the most part, either leave
16 it open or give the key to someone else we would have to keep
17 reminding them please lock it after yourselves so that the next person
18 coming is also authorized to come in. We budgeted for \$400 per and the
19 estimates came out \$2200 each. These are the challenges we are
20 facing. We are still trying to identify a local company, Lock and Key, to
21 come back to us with a modified estimate so we can run with that
22 procurement. There is not a "no" coming from management saying
23 don't spend \$2000 on self-locking mechanism. They're basically saying
24 get the paperwork, get process going to a point where they can
25 actually approve it.

26 **Johnny Taitano:** Going back to the rate increase, I noticed in some cases
27 its almost 200-300% and the problem is there any consideration with
28 regards to the elderlies that have been here for 40 years. We are always
29 talking in our culture with regards to the elderly like my friend Dan over
30 here. I'm taling in regards ot the rate increase. Is there any
31 consideration to the elderly that have been here for 40 years. Frank has

Marina User Group Outreach Proposed User Fee Change

1 been here 45 years. 30 years. All these guys. I'm around the corner,
2 too. But, like the grandfather clause after so many years you maintain
3 your old price or you get a reduction in the new rates. And that is what I
4 think that's what should be done as far as the old timers here. Give them
5 the consideration. They are all honest. They are all on a set salary. They
6 are set on retirement. My friend Peter over here he's one foot in the
7 bucket the other in the grave and I'm kicking it right behind him. If that
8 could be considered as far as the rate increase. For what we're paying
9 for right now, is substantial for what we use. Sometimes the boats never
10 use the water and we're lucky and fortunate the lights work. Thanks to
11 Masao, he makes the lights work. And to Frank Quinata he makes sure
12 the TV and radio is going and security is there. So we could consider
13 something like that. I noticed the rates are really going up. I'm glad you
14 folks didn't chase me out.

15 **Alfred Duenas:** Make sure you put that in writing to the PUC because we
16 don't want to be the only ones coming up with a recommendation for
17 rate consideration for senior citizens and then none of you say "hey we
18 need that".

19 **Glenn Nelson:** Folks It's very important to know we could go through all
20 this marina user fees as proposed, various slides, recreational,
21 commercial, as well as the live a boards - one thing you will see is parity
22 amongst the marinas. Parity of these rates under the jurisdiction of the
23 Port. And that is one thing that has been lacking for many years since
24 the marinas were turned over to the Port. Now, my boss actually said this
25 earlier and I'll say it again - this isn't a done deal - suggestions,
26 recommendations; but there are methods to the madness behind
27 determining a fee. Now if you want to determine a manumko (senior
28 citizen) fee, I am sure there is probably something out there that has
29 already set the precedence to do so such as at Rev. and Tax. Those are
30 things that although you're going to provide the comment to us, we are
31 going to submit it to the PUC. And one thing I forgot that is so very

Marina User Group Outreach Proposed User Fee Change

1 important is that while the ALJ is actually charged with overseeing the
2 actual proceedings, he may very well determine the need to have the
3 PUC consultants review the petition in its entirety. Now, the consultant's
4 job on the part of the PUC is to review the Port study to determine if it is
5 just and reasonable or to perhaps reconsider certain suggestions being
6 submitted by people.

7 **Dan Bradley:** Question- Does the Port Authority give any federal grant
8 money towards the operation of these facilities because I don't see any
9 other revenue coming in.

10 **Alfred Duenas:** not towards the operation, but towards the maintenance
11 and renovation of the facility.

12 **Dan Bradley:** Okay I would like to see what amount of money you guys
13 are getting to offset your operations from the federal side because so far
14 all I see are expenses. I don't see what you guys are getting. My second
15 part is the operation of the marinas has succeeded in the very beginning
16 of the presentation are an important part of tourism industry. Is the port
17 authority going to the tourist attraction fund looking for some money
18 too? Every tourist pays \$13 a night minimum. So like John and everyone
19 here was saying, why are the users of these facilities saddled with 100%
20 of the cost increase when there are benefits to the tourism industry. I'd
21 like to see what the offset of the federal grants are. So if I did a profit and
22 loss I would have to list my revenues versus my expenses. So far all I see
23 here are expenses.

24 **Alfred Duenas:** On the federal side, on the grants and everything else, it's
25 strictly limited to the renovations. The idea behind it is once they get it
26 renovated its up to us to provide the revenues for the future
27 replacements.

28 **Dan Bradley:** But listed in here are the expenses to renovate or replace
29 dock etc., pump station,... lalala those were listed as expenses.

Marina User Group Outreach
Proposed User Fee Change

1 **Alfred Duenas:** We'll get those out to you. Give us a couple of days. Like I
2 said earlier we have done our actual count and everything else. And like
3 I said to you once we release the results it will surprise you. If there is
4 something going on that you yourselves see going on at the marinas-
5 you have the tour buses coming in and those are documented users.
6 What is not documented are those that come in from the private tour
7 vans or private vehicles. And we have witnessed them exchanging cash
8 and those are not tallied in. Once we get the verification done we will
9 make our point and everything else to come up with some kind of
10 system.

11 **Glenn Nelson:** Beautiful point you bring up about the per passenger fee,
12 going back to tourism, by going to GVB to seek their assistance whether
13 it's from the tourist attraction fund or the like. But I have to give credit
14 where credit is due. It has actually been attempted by Manny Duenas
15 through Senator McCredie. It didn't fly. But it has been attempted. It's
16 not to say the Port doesn't want to do it but the simple fact of the matter
17 is that the Port can't do it. Not for GVB. We control our rates. PUC will not
18 determine how GVB charges. But, they do have control and a say over
19 how we assess our fees. Going back to commercial, one thing that was
20 obviously absent was that per passenger fee. But again it's one of those
21 times where we actually find ourselves in a unique position in that we
22 don't want to seek this per passenger fee as know it will be sizeable
23 whether its \$1, \$2, or .25 cents. You make more than what we're making
24 now in Agana. Until we have a solid plan, and my plan is to replace
25 Dock A first. But, until we get to that point, until we repair Harbor of
26 Refuge, then we will go down that road. But it is not too far off. It is within
27 the near future.

28 **Dan Bradley:** How does the airport have a passenger fee?

29 **Glenn Nelson:** The airport is not under the PUC. They are still guided by
30 the AAA process. We are not. We are by virtue of Public Law 30-52 are

Marina User Group Outreach Proposed User Fee Change

1 actually identified as a utility. We fall in the same category as Guam
2 water, power and the golf course.

3 **Manny Duenas:** I just want to give a little background of all this exercise.
4 The reason why the Port Authority has the marinas is because Parks and
5 Recreation couldn't afford it. And back then Port had the money. Not
6 ten times the employees it has now. But it had some money and you
7 guys are floating a bond for \$70 million for cushy offices. That really
8 bothers me when you turn around and look at these guys in their face
9 and tell them you want to increase the rates by 300%. Something is
10 wrong. And you went straight to PUC. You didn't come to the marinas
11 and say hey were going to raise the rates. You took all this information
12 that you developed. Because I am really pissed! I think there is an
13 oversight at the legislature to put it under PUC because they want to
14 deal with your tariffs. I don't think they wanted the marinas because
15 Monday morning I'm going to see all the senators about this. This is
16 wrong. The livelihood of all these people in this area right now are
17 affected by you guys wanting money. I worked my butt off the last 5 to
18 10 years trying to get money for you guys. Little information people don't
19 understand. I'm a fisherman. 60 to 70% of the money to fix the marinas
20 came from the fisherman not from the Port Authority. So I'm pissed off.
21 We always had an open understanding and communication between
22 the marina users and the port. But, management I guess didn't care
23 about that anymore. We used to have meetings twice a year with Port
24 management. But now we don't have anything. Then you guys come up
25 with a surprise. Well, surprise to us- you're hurting us. I hate to go to the
26 senior citizen route because most of us are senior citizens here. At the
27 end of the day, talk to us. I appreciate the fact that you took the effort
28 to come out tonight and talk to us even though you don't have to
29 because the law protects you. Who's protecting us? The tariff affects the
30 whole island. The marinas support 60% of the marine users of tourism
31 market. I asked GVB and hotel restaurant association for a \$2 marine
32 fee. You what they did, they scoffed at me. To fix the marinas so we can

Marina User Group Outreach Proposed User Fee Change

1 have a beautiful place. 50% of "A" dock was paid for by fisheries money.
2 50% by the Port. Its your responsibility to fix things, not ours. But you see all
3 these guys changing spigots and doing stuff ourselves. I'm tired of this
4 exercise because it is an exercise of futility. It is a waste of my time
5 because you guys don't care. I've been talking to Glenn, Glenn
6 understands the marinas, I've been talking to all the staff, they
7 understand the marina. Then I understand you have a GM and two
8 deputies. I worked at the port many years, there was always one deputy.
9 But now we have money to hire more people. Money to hire more staff.
10 Remember Sebastian, Masao? He ran the marinas himself! That old
11 piece of shit, remember him. The marina has an increase in amount of
12 slips. Now we have 5,6,7 people? I run a business. A very dying business
13 like these guys. But at the end of the day we try to make it work with
14 what we have. We are not going to build ourselves a castle at Cabras
15 and air-conditioned office. What you have not at Cabras, is 10 times
16 better than what I have at the coop. Maybe 100 times better. But, you
17 want to stick it to us and increase the fees?! The way I sound- this is only
18 half of what you're going to hear at the legislature because I am really
19 sick and tired. There is no reason to really talk about it. Talk to the people
20 first. I know every operator that runs out of Agat or Agana. I am here 365
21 days a year. Even on holidays I still come down. The Mayor here is the
22 only one that can beat me cause he has a camera. At the end of the
23 day it is all about taking charge of what you have and making it work.
24 There is more fisheries money. There is more money at GVB like what was
25 mentioned earlier. But, nobody backed me up when I went to GVB.
26 \$2.00, will it kill them?! I am not saying their 11% user tax fee. That's
27 percentage. I am saying two lousy dollars. I estimate that to be \$3 million
28 a year. We could give GMH half of that. But at the end of the day they
29 laughed. They don't want use to touch their money. That is 60% and that
30 is what I am asking you. You guys make money from the tariff right? The
31 cargo that comes in? Well who the hell supports the 60% of tourism that
32 you need to make money off of us again? You act like young people

Marina User Group Outreach
Proposed User Fee Change

1 don't want to be boat captains, but they cannot get a slip. And were
2 bitching about the water usage, why don't the port police drive around
3 and say "hey, put a spigot on that hose otherwise get out of here." I'd
4 do that. But no lets ignore the fisherman and blame them for using
5 10,000 gallons of water. Boat registration used to be every 3 years. Now
6 it's every year! How much more do you want us to bend over? Think of
7 all the cumulative effects that your agencies is going to have on us. That
8 means adding all these things together. I may seem psychotic right now
9 but you will see me more psychotic when I go testify at the legislature
10 because I am going to ask for an oversight hearing. This crap, I'd rather
11 use a nicer word, but this is crap. You're wasting our time here.

12 **Alfred Duenas**: Manny, number one, I think all of you agree that any kind
13 of increase, no matter what the situation is, hurts people whether it be
14 tax, gas, GRT, whatever. So there is no increases in fees that everybody
15 loves. For you to say that this is a waste of time- this is not a wasted time.

16 **Manny Duenas**: interjects: It is a waste of time.

17 **Alfred Duenas**: Well that is your opinion and put that in writing to PUC.

18 **Manny Duenas**: You already gave it to PUC why did you not come to us
19 first?

20 **Alfred Duenas**: At first because the process is to apply.

21 **Manny Duenas**: what are you going to apply for?

22 **Alfred Duenas**: Apply for the increase! That is what we are here for
23 tonight.

24 **Manny Duenas**: I have a party and everyone is hungry but the food is not
25 ready. But I have a cans of sardines and I'll open it so people can eat.
26 Complying with the law is one thing. To augment the law is a lot better if
27 you can service the people that are working with you in this community
28 because these are all.

Marina User Group Outreach
Proposed User Fee Change

1 **Alfred Duenas**: There are a lot of things Manny that you mentioned that
2 are not true. For example, the boat registration fee. The Port doesn't get
3 that money.

4 **Manny Duenas**: we know that but I'm saying the cumulative effect. All
5 you agencies have your own ideas.

6 **Alfred Duenas**: We can't control that. You might want to go to the
7 Legislature and tell them to kill the boat registration and bring it back to
8 every three years. That's what the legislature can do, we can't do that.

9 **Manny Duenas**: All you agencies are operating on a conspiracy theory-
10 Let's get rid of all the poor dumb nuts and get all these rich people to
11 take and afford the slips. I am defending these people for the future, not
12 the present. Because their business has to survive tomorrow.

13 **Alfred Duenas**: Manny you know we have limited slips.

14 **Manny Duenas**: Yes, and if you had put part of the \$70 million to expand
15 the marina? No. you could have put \$5million to expand the marinas.
16 But nobody thought of it at the port because it's not part of the
17 delusional grandeur plan. Let's build a castle!

18 **Alfred Duenas**: Again, that is where you are sweetly mistaken. Sweetly
19 mistaken.

20 **Manny Duenas**: You're building a castle at the Port.

21 **Alfred Duenas**: Building a castle at the Port is really delusional.

22 **Manny Duenas**: Well, you are.

23 **John Taitano**: I am confused, who is asking for the money? The Port, the
24 PUC?

25 **Glenn Nelson**: For the most part, we all got to understand we are all here
26 as a matter of process. And we are here at the guidance of my boss. We
27 would not be here tonight if he did not see the need to do so. Now I

Marina User Group Outreach Proposed User Fee Change

1 understand. I would never debate any issue with Uncle Manny. But lets
2 also go back to just speaking towards what I know. And it's that much
3 improvement have been made at the marinas. I once sat before, In
4 2006, at a ports symposium, at some hotel, I forget where it was, but
5 Agana was so bad you could actually, literally, walk the docks, stomp
6 and go through. At that point we couldn't ask for a fee increase
7 although we did, irresponsible. And I do recall, And again, I'm not trying
8 to debate Uncle Manny, but I do recall that with each iteration for a
9 proposed fee increase the initial one was just a simple blanket, hey,- lets
10 marry the rate structures between facilities. And it didn't work because
11 we didn't do anything at the Agana Marina that would warrant an
12 increase at that point in time. PUC said come back and give us a repair
13 strategy so they could reconsider. We said here's your repair strategy,
14 but check this out, we are doing this...So the Port did spend \$1.2 million.
15 The Port does not have the money that we use to have in the past when
16 it was turned over by DPR. Tariffs are tariffs, user fees, rentals, yes it's all
17 revenue for the Port Authority of Guam, but you have operational
18 revenue and then you have nonoperational revenue. We address them
19 as different business units. What we are simply trying to do is get the
20 business unit that is your marinas to be self sufficient or to the point where
21 the Port don't need to subsidize it, as was the case many, many years
22 ago to spend millions to repair the docks. The Port didn't spend millions
23 and millions to repair the docks, but we did spend money, not the
24 amount we spent in the past, but we still got it done. A lot of the federal
25 money are being made available to the Port today, that were not
26 available to the Port back in PL 17-01. Uncle Manny has valid points. You
27 folks know this marina, the operations and management better than
28 myself or Mr. Duenas or both of us combined. And that is why we're
29 here. So with Uncle Manny's comments I guarantee you, I will transpose
30 them and get this to the PUC. But, these are the same comments that
31 we have received since the marinas have been turned over to the Port
32 that ultimately result in one thing - and I hope no one gets offended but

Marina User Group Outreach Proposed User Fee Change

1 the rates remained unchanged and that's the reality. Going back to the
2 user fee- the Port does have plans. The Agana marina by design was to
3 accommodate, I think at one time 300 vessels. There is potential for
4 growth. This takes me to the AMR, Alternative Management Regime
5 study (AMR) on what business model is best for us to move forward and
6 position us to exploit the full potential of the marinas and it talks about a
7 joint private and public partnership. For one, it is to have someone come
8 in and spend money on the marina, maintain it for us, but basically to
9 expand it, not for me but for you folks. But even if we did not get to that
10 point, our marina rules, when we went through the marina rules. Uncle
11 Manny actually chaired the Ad-Hoc committee. We incorporated a real
12 simple provision that basically enables us to actually enter into certain
13 agreements with others to construct their own private facilities and they
14 only pay the Port \$1.50 per square foot. It is those simple acts that we
15 have done on our part to try and encourage people to come in and
16 spend money. They determine what rate they would charge on their
17 respective user of the slips with various parties but our purpose is that
18 they build the slips, pay us the \$1.50/sq. ft. and we will leave it at that.
19 And your marinas, \$500K spent here- 20% of your marinas or the actual
20 facilities are your revenue generating components. Much of the areas
21 are common areas, the main planks. Obviously you can't sublet both
22 sides of the 25 ft. slip without 95 ft. gangway but ultimately the bulk of the
23 expense for any of these dock projects is for the common areas and the
24 money to be made is not off the common areas as would be the case
25 with the passenger fee but on each side of the slip. Again any and all
26 comments are welcomed. And I will make sure Uncle Manny's concerns
27 are heard.

28 **Felix Reyes:** One thing I feel we are lacking on Guam especially with
29 government officials is the complete lack of foresight on the quality of
30 life. When was the last time a park has been built? I used to be able to
31 park at the Port on the right side, where the waves come in, just to
32 watch the waves come in, but now I cannot. I used to go diving but now

Marina User Group Outreach
Proposed User Fee Change

1 I can't park so I can go diving. They broke into my car. Now you charge
2 a fee to go fishing towards the end but you have vendors out there who
3 use jet skis and stuff.

4 **Glenn Nelson and Alfred Duenas**: There is no fee for fishing.

5 **Felix Reyes**: There is a permit required and you're closed on Saturdays
6 and Sundays when we do go fishing.

7 **Glenn Nelson**: Yes, we are closed on Saturdays and Sundays.

8 **Felix Reyes**: They ask us to come down during the week all the way
9 down to the Commercial Port. Anyway, somebody talked about the
10 marinas in the states- in San Diego you've got the marina walk. And you
11 have vendors all along the walk, goods and candies, that can make
12 money for you guys. A marina walk- you know, quality of life for the
13 population. Anyway my two questions real quick is are there any plans
14 beyond this, and maybe beyond the masterplan, to build a marina
15 between here (Agana) and Agat? Inside the commercial port? Right
16 now, as a small boat, I have a 17ft. boat, I just renewed my registration
17 for my boat for \$55 and I take it out like 12 times a year. And I drive
18 every day and I pay \$91.00 on my car. \$55.00 for my boat, haha! Where
19 is the parity in that one? Are there any plans to build a recreational
20 launching ramp anywhere between Agat and Agana? Like inside the
21 harbor?

22 **AL Duenas**: There is a launching ramp inside the harbor, sea plane ramp.

23 **Felix Reyes**: Then you watch the Ducks come plowing into the water.
24 There's no place to tie up your boat. You have to go up on power, keep
25 the gear on forward for your bow to hit the concrete so you can step up
26 and grab that line, and here comes the Duck, plowing into the water at
27 full speed. Quality of Life. Is this in line with your master plan? Where
28 are we with the master plan?

Marina User Group Outreach Proposed User Fee Change

1 **Glenn Nelson:** The master plan has actually been approved. The
2 updated master plan was not specific to the marinas. What we are
3 guiding ourselves on, is the Paseo De Susana Master Plan. Most are
4 familiar with this plan but, basically it is a touch stone to development for
5 this entire area, to include the marina. Identified in the plans, although is
6 conceptual in nature, and it is the touch stone for potential in
7 development, it does identify various phases by which the marina is to
8 expand. The reclamation of certain lands to accommodate trailers as
9 well as the expansion of slips to accommodate new tenants. These are
10 the challenges that we've been facing, 15, 16 years since I've been with
11 the Port. Since I have been with this division, the challenges at the
12 marina have not necessarily just affected us, but we always look forward
13 to new challenges and we do the best we can, but everything is
14 tethered to one another. The rate increases are party to the AMR, which
15 is ultimately to identify someone to come in and assist us as a partner to
16 expand. Even with that expansion it must be consistent with the law.
17 What is actually controlling at this point for the development of this
18 facility (Agana) is the Paseo De Susana Master Plan. This is information
19 that we have available on file and can easily make it available to you
20 upon request. It will be available on the Port website. But we will throw it
21 back on

22 **Manny Duenas:** Can I make a request Mr. Duenas? Can the board
23 extend a resolution to GVB requesting for at least 5% of their annual
24 budget to be placed to maintain and repair the marinas? I think that
25 move them because 50% of the passengers that come to Guam go to
26 these marinas. Like I said, the biggest heartache I had was Agat Dock A
27 where tourists were falling into the docks. I had to beg the federal
28 fisheries people to put \$250k into that dock so our tourists would have a
29 nice place to go to. By the end of the day, Since the board is so fast to
30 stick it to us, can they unstick it and say GVB, board, from one board to
31 another, can you give us 5%, even-3% of their money so we don't have
32 to suffer. Augment us. I've always made that comment: If a regulation

Marina User Group Outreach Proposed User Fee Change

1 or rule does not benefit the community it has no purpose in life because
2 the government is supposed to enhance our life not make it worse. Not
3 for Mr. Plummer to have a headache, for 3 months trying to figure out
4 how he's gonna have to pay the 300% increase. If you look at how
5 many old timers, senior citizens, are left in the marinas. John Eads just got
6 kicked out because of oil spill, Tony Waki is gone, Masao, got rid of all his
7 boats, the economy is not as great as everybody thinks it is. What I'm
8 asking, right now in front of everybody, Can the board find it in their
9 heart to send a board resolution from one board to another? Requesting
10 to set aside \$1.5 million a year, set aside from GVBs money? You know
11 where they go travel and all that stuff. CoOp is a beneficiary of the Hot
12 Bonds but can we ask them for X amount of dollars just to maintain and
13 upgrade the marinas? Cause I remember Baldyga, 10 years ago he
14 asked me, Manny can we put a 75 foot boat, dinner cruise, in Agana
15 Marina? I told him, 1st you would need to get through that 6ft channel
16 and 2nd, once you get into the inner marina, you would have to wait for
17 high tide. You know how many boats ask me almost every day to park
18 at the fuel dock because where Dock C and B are, they can't make it
19 out of the causeway, cause it's too shallow. Manny, can we go to your
20 dock on high tide? Yeah no problem. We support everybody in the
21 marinas. But all my asking, and I think everybody would agree, right, that
22 we ask GVB for some of that money. Before, it was only Manny Duenas
23 and board members of the Co-op, but now if we could go with an
24 asserted effort, with a GovGuam agency as great as the Port Authority
25 of Guam, maybe they'll listen. And maybe us regular people will have
26 that quality of life that we don't have right now. Mr. Duenas I am sorry to
27 be so upset tonight, but we went through this exercise 10 years ago.

28 **Alfred Duenas**: Let me explain to you, I have mentioned it earlier this
29 evening and I've mentioned it several times this evening,- we are doing
30 our actual counts and everything else, and like I said once we are done
31 our results will surprise you guys. We are actively looking into ways to

Marina User Group Outreach Proposed User Fee Change

1 have the users pay for it. When I say users it's not just the tenants, it's the
2 commercial customers. But we need the data to present to GVB.

3 **Manny Duenas:** FYI in Saipan their marinas are under their fisheries
4 division because they get the same grants that you guys (Port) got to
5 repair Agana and Agat. The fisheries division is limited in how much they
6 can charge because its only supposed to be a maintenance fee they
7 can charge. They can't charge any higher cause someone has 60 pax.
8 And their marina is under the fishery division. If the Port finds it to be a
9 heartache, we should revisit this whole exercise of whose in charge and
10 actually see if there is another agency that can work with us.

11 **Alfred Duenas:** Actually Glenn has mentioned it several times throughout
12 the night. The Alternative Management Regime. Which would be what
13 were looking for to oversee. Aside from the BOD down at the Port, and
14 GM of the Port, this would be the entity and Glenn's been mentioning it
15 throughout the night. So again there's two things we have working for
16 you guys and that is getting our counts and the AMR that would provide
17 management and tools to put the schedule of renovations, services to
18 be offered and fees to be charged. In the end, when these two
19 components and everything else fall into place you will see that pretty
20 much everything you guys are concerned about tonight will be
21 addressed by those two components. But again we have to start from
22 ground zero and get our numbers together. Approve them, and then, at
23 that point of time we can go out as an Agency. Instead of raising the slip
24 fee, let's do it this way. Maybe that could be a compromise.

25 **Glenn Nelson:** Uncle Manny thank you for your suggestions. Although no
26 assurance can be given for any action on the part of the Board, again I
27 go back to \$6.5 Million- 6 years only \$200k a year. There ain't no business
28 model in the world that actually says that is right. The marinas are an
29 expensive business. We will. Like Uncle Manny said, try to go to GVB.
30 One of the challenges within the government is typically, you are not
31 allowed to spend on something that is not under your jurisdiction so it

Marina User Group Outreach Proposed User Fee Change

1 requires some extra ordinary act and perhaps part of the legislature to
2 make something like that happen. It is not to say that we are not going
3 to try.

4 **Felix Reyes:** Real quick, can we see the designs before you guys do this
5 repair? Case in point... In this marina in Agana, when the railings were
6 replaced, as a small boat owner, I tie up on the left side when I launch,
7 and I tie up there when I come back and go get my trailer. No the
8 railing is very narrow, so you have to climb over it to get to the boat and
9 it's quite dangerous when you are wet., the other thing is, can you guys
10 also take a look at the assignment of the boats especially those that
11 have slips? There are several boaters that have smaller boats but yet
12 they are caught between two bigger boats. When they come in or
13 launching they actually have to go around the bigger boats and it
14 creates a hazard. Thank you.

15 **Roy Brown:** If you guys put a private person looking after the marinas
16 they're going to want a profit as well as you guys want a profit. So what
17 that is going to do is raise all of our rates even higher again. So that's
18 kinda a silly idea.

19 **Glenn Nelson:** At the same time they will infuse the capital incidental to
20 expanding.

21 **Roy Brown:** Their gonna raise our rates.

22 **Glenn Nelson:** yes, ultimately.

23 **Roy Brown:** Bottom line is our rates will go up again. A launching ramp in
24 the harbor. You guys don't have a launching ramp in the Harbor. You
25 have seaplane ramp that everyone tries to use but if there is any
26 weather at all you can't use it and you remember to what happened to
27 the property that I've got beside me, that we use as a dry dock area.
28 Remember the trouble I got with the \$6800 I had to put into that so it
29 could stay dry that is where everyone is launching their boats. Now,

Marina User Group Outreach
Proposed User Fee Change

1 nobody has a place to launch their boats anymore in the Harbor. That's
2 something for you to think about.

3 **Glenn Nelson:** And it is like Uncle Manny said, it is federal funds. Going
4 back to that federal funds issue, Saipan, with the proposed fees in
5 current form we still ourselves cheaper than Saipan. And the relationship
6 Saipan has with DOI is DOI overseas all parks in the mainland, Fisheries is
7 still under the park system of DOI. But Guam because the marinas were
8 turned over to the Port, Agriculture is still what they call a state local
9 recipient of those federal funds They're the ones eligible. So we are
10 basically the sub-grantees. We ask them and they decide whether or not
11 to move forward. But much of the plans that they did implement. The
12 piling extensions, the trailer parking- this is all input from tenants. Uncle
13 Frank Quinata has provided inputs on the replacement of Dock A. I just
14 heard about that this week but these are things that had been on my
15 mind. These are obvious things that need to be done.

16 **Enrique Pangelinan:** I want to ask something. Our fate is decided right
17 now on PUC do any of those people know anything about boating?
18 They're all a bunch of politicians up there right now, and our fate is
19 gonna be on them? I know you want our input, I understand, but rates
20 are getting old and you can't stop it.

21 **Alfred Duenas:** The PUC does have their own consultants that have
22 expertise and know about Ports and marinas.

23 **Glenn Nelson:** They were the ones that denied the last petition.

24 **Enrique Pangelinan:** We could get a bunch of people that know about
25 the marinas and get them to represent the marinas.

26 **Glenn Nelson:** I appreciate the comment Mr. Pangelinan but PUC..

27 **Enrique Pangelinan:** Have you ever been to any place in the world that
28 charges double they sublease your place?

Marina User Group Outreach
Proposed User Fee Change

1 **Glenn Nelson:** you know, I usually wear Kevlar, but that actually
2 originated from staff. It originated from us. The reason being is we were
3 dealing with the situation, especially at the Agana marina, where you
4 had tenants, that have been there for 15, 20 years, that refused to give
5 up their slips but at the same time we're authorizing others. And because
6 they were paying they said you don't need to charge them that's my
7 pari. So in the marina rules, we gave actually gave ourselves, or put in
8 there, this was vetted, a public proceeding, full disclosure, and we
9 positioned ourselves to the point that if you took your boat out, for the
10 period that you are out we can sublet. You still pay your rent you're still
11 the master tenant. As soon as you come back in the sublet has to go.
12 That was in part, due to high demand at the Agana marina and to get
13 control. You have some people that own three boats but control seven.
14 As well as yourself, is your boat back in the water? The person being
15 allowed to sublet your slip in the absence of your vessel being up on
16 land you're still the primary master tenant but somebody else has the
17 ability to use the marina.

18 **Manny Duenas:** So it's the demand you're talking about.

19 **Glenn Nelson:** Yessir.

20 **Felix Reyes:** Can you also allow for one or two overnight slips? Every now
21 and then our trailers break down, so we need to put our boats in the
22 water, sometimes overnight while we find the parts and we don't want
23 to park in anybody else's slip.

24 **Glenn Nelson:** what I can say is that has been done. But again, that's
25 based upon availability. Such as Festpac, when we had all these vessels
26 coming in and from the outer islands. ... But I can't tell a tenant to move
27 their stuff so you could park overnight. These are the things that the
28 commercial division has done and we have done on many occasions,
29 Agat marina, Agana marina, when it's available. But these are things
30 that can be done via the Commercial Division.

Marina User Group Outreach
Proposed User Fee Change

1 **Felix Reyes:** It's something that can be worked in to the plans so that it is
2 dedicated. Strictly for overnight parking for the boat, and not for when
3 it's available.

4 **Glenn Nelson:** I'm tracking. We tried to do the transient dock out here at
5 the fingertip portion. But because it has been identified as part of Phase
6 3, the transient dock will be placed at HOR with the new pump-out
7 station. The reason why there is no new pump-out station in Agat is
8 because fuel dock has been condemned. And we couldn't install it until
9 we do further studies. But at HOR, money is in place, the solicitation I
10 believe is out, and we are going to install pump out ramp and transient
11 dock. The transient station may not serve as a launch, but it will serve for
12 some other needs.

13 **Manny Duenas:** The other part of the equation is that you have
14 GovGuam agencies that have at least 5 boats. The Port Authority, I
15 understand has 2. Their fleet gets bigger and bigger, and they're going
16 to park on the trailer parking because they have to respond. So I really
17 think that these agencies especially the Police Department does have
18 money that can be put into a so-called slip area. Agriculture, they get
19 up to \$2.5 million if they wanted. But there is no plan to want it. So if
20 you're talking about how much you want to spend, if you take
21 agriculture and their 70% matching I think you can work out all these
22 things and the numbers will come real low. They did that with all the
23 docks in Agana and in Agat, A Dock. There is a feasible way of doing
24 things, and as far as HOR, I think they can justify that with fisheries money
25 and say the marinas need it because our fishing boat needs to be
26 protected during storms. But you know we have to sit down with the
27 director there to make his people do that.

28 **Glenn Nelson:** They approved that portion for HOR. Transient dock-
29 you're right. They did fail. We lost that \$40K. What they did was identify
30 through that same grant was a \$500K for the HOR to include the
31 transient dock though. The reason why we can't touch this outer dry

Marina User Group Outreach Proposed User Fee Change

1 dock area that we are all familiar with, by design or Paseo de Susana
2 Master Plan was actually supposed to be solely for law enforcement.
3 GPD has money, Customs got money, but we can't allow them to
4 construct because we are going to close them out and displace them
5 during Phase 3. Customs has a relationship with the Port for an area that
6 is adjacent to Seaplane Ramp where they plan to construct their own
7 facility. But the response time from Cabras to anywhere else, is great.

8 **Manny Duenas:** The reason why all these federal agencies have
9 jurisdiction is because of fisheries. We can force the issue at a fisheries
10 meeting for them because the half a million dollars they get a year-
11 Guam didn't apply for it for like 3 years. We had to force GovGuam to
12 go through the Police department which it should have. It went through
13 Customs because customs was the only one willing to do the program.
14 They get about half a million and we have NOAA fisheries agents
15 attending our fisheries meeting and we can force them and encourage
16 them like I'm encouraging you guys to look at other avenues to
17 supplement all these million dollar expenses, and I am willing to work with
18 you.

19 **Glenn Nelson:** I'm tracking sir. but when they do construct the dock
20 facilities, it's exclusive to their purpose. And what that does is while they
21 are bringing up two or three slips they're actually prohibiting us from
22 expanding as we should.

23 **Manny Duenas:** Frank always has to deal with their wake as they go out
24 for rescue. And I don't want the Mayor getting mad. I'm sorry he is the
25 Mayor of Agana Marina

26 **Frank Quinata:** Can we get a cost analysis just to take a look at
27 numbers? Anybody is going to want to have a reason. When you give a
28 reason, its going to be scrutinized, really, you did this? Everybody
29 deserves to have an answer to a question. What you're giving us doesn't
30 really tell us much. So give us a packet saying we are planning to raise

Marina User Group Outreach Proposed User Fee Change

1 the rate based on this. This marina is generating \$30K, but cost \$180K.
2 Hello... it doesn't take a genius to figure this thing out. Now, us marina
3 users are saying what in the hell are you paying \$80,000 for water? Why?
4 There's a reason for it. Is there a leak? I myself is not using that much,
5 and I'm based with everyone else. Was there a leak? How long has it
6 been leaking? Irregardless, what you guys project say this is what it is
7 going to cost to run this marina every year, if it's not maintained right it's
8 going to cost you a lot more money. And, I hate to say this you come
9 back next year and say you're gonna increase this more because our
10 water bill went up. How many times have we called the Port? We call
11 you guys and you do your job and call facilities and they show up a
12 week later when this faucet is running like crazy. Then you come back to
13 us with the water bill is \$85K there is a reason for it. irregardless of how
14 many meters you put out there if there is a leak and you don't attend to
15 it really quick it's going to happen. My suggestion too is to meter
16 everybody that way there is no doubt on what you're using, you pay for
17 what you use. Its common sense. The other thing, if you guys give us the
18 package, I've never seen the live aboard rates, and I was just looking
19 earlier, the live aboard rates, it's cheap to have a boat and live on the
20 water. 24 hour air-conditioning, power, Hello... \$250 bucks that's just
21 power at myhouse!

22 **Glenn Nelson:** These are things we are aware of. It's simply for the
23 marinas rules- 75% is for slip storage and at the same time imposed in
24 that fee structure is 25% of your total rent goes towards utilities. In some
25 cases people don't use power or don't use water. Others, like in the
26 cases of the live aboards they use both. In cases of the Commercial
27 operators, they flush more.

28 **Frank Quinata:** But, to avoid all that, and you're basing yourself in
29 percentage.

30 **Glenn Nelson:** He is going to install meters on each pedestal.

Marina User Group Outreach
Proposed User Fee Change

1 **Frank Quinata**: Meter it.

2 **Alfred Duenas**: We have the capability

3 **Frank Quinata**: You have the consultants telling you guys, you should
4 raise this one. Do you see the difference in the live aboards? The
5 Increase?

6 **Glenn Nelson**: Yes

7 **Frank Quinata**: Very slight difference.

8 **Glenn Nelson**: You're actually looking at 62, 60 and 70. For Agana, there
9 are no live aboards but those would be the prevailing fees. Please be
10 mindful that the old rate (\$162) even I had a challenge. It was a
11 challenge. We tried identifying certain vessels to sub-meter, just to get
12 this information. Although we haven't installed the deduct meters yet to
13 determine at that point of consumption we did come to figure out that
14 \$80 of the current fee structure is what's going towards 9000BTU/1200BTU
15 air con, and those are the things we are mindful too, and we are
16 addressing. What you see here is an increase. A flat fee with an
17 additional \$100 for that extra consumption. And you're right Uncle you
18 have people that stay there and it's cheap, but that's their choice.

19 **Frank Quinata**: I've been all over the world to, and to the marinas. But in
20 live aboards, it's just as expensive as a house, when you're at the
21 marina. I don't know, but those are ancient rates for live aboards. Yes,
22 you're saying a 25ft boat, but what makes you so sure he's only using
23 one aircon?

24 **Glenn Nelson**: And that's why the three that we identified, they were
25 chosen for a reason. And the justification behind that is to try and
26 determine whether or not these proposed fees, in current form will cover.
27 Water and power has gone up every year since we spent \$1.3 million.
28 These are things that are not currently being passed on to our tenants
29 just yet. But those new pedestals throughout both facilities have that

Marina User Group Outreach Proposed User Fee Change

1 capability to sub-meter. And eventually, everyone should have to pay
2 for their own water, nothing more, nothing less. You use it, you pay it.
3 You don't use it, you don't pay.

4 **Dan Bradley:** I have just one question, when I just look down the street
5 over here and I see the street to the Chamorro Village, I'm not well
6 versed which department runs the Chamorro Village versus Port
7 Authority when you got the marina, I look at those huts that were built
8 for festpac that cost \$153K each and I think there are about 12 of them,
9 GVB paid for that. And they were used one time. Now, once a week I
10 believe they get \$20 per hut from vendors. So what I'm saying is, I don't
11 know who are the Marketing people for the Port Authority, but I think Port
12 should go to GVB and say, hey look, you guys spent \$1.8 million on these
13 huts that generate \$200 in revenue per week, that we used one time
14 and meanwhile we have a marina here that is used everyday by a lot of
15 people. I don't know who we need to talk to. Common sense tells me
16 that somebody had a good proposal for GVB to get those concrete huts
17 built. And they pushed that to get those concrete going up there. I don't
18 understand why Port Authority can't push the same deal for something
19 that is used this much. The tourists aren't going to those huts. People
20 come to the marina everyday. I'm looking at the budget and \$1.8
21 million. But you're coming to us and asking for that \$1.8 million. I would
22 put the onus on the Port Authority, to you like what everybody here said
23 more effort to identify other sources of revenue. And those source of
24 other revenues are there. And if you don't believe it, look down this
25 street and count those huts that were \$153K each. That are sitting there
26 with nobody in them. So, It's possible because somebody did it.

27 **Alfred Duenas:** Again, which comes first. meaning to say do we the Port
28 go up to GVB and say "we need \$1.1 million for this". Then the next
29 question would be "why do you need it". It is a lot better reaching out to
30 you and you go up to them and say to GVB hey "we have talked to the
31 users and this is what they see and how the tourism is impacting them.

Marina User Group Outreach Proposed User Fee Change

1 Because it's the tourism that's causing the wear and tear since they use
2 it more than the individual tenants. Again, coming out with that
3 information, we stand a better chance at succeeding and going to the
4 legislature because it requires legislation. We would have our ducks in a
5 row.

6 **Name of 1:17:45:** I think you can very well make economic sense to GVB
7 by sharing the data on usage what is the commercial and economical
8 value on the uses of both marinas. And present to them. The quality of
9 these two marinas are to Guam's economy is Tourism, and it's not just
10 the airport.

11 **Alfred Duenas:** but we also have to show them their usage of it impacts
12 the users. That is why we need to hear from you that yes it does impact.
13 Because we don't want to go and say impact and then you say I don't
14 know what the Port is talking about but nobody spoke to us about it.

15 **Dan Bradley:** There is another aspect that is being overlooked here- while
16 everyone is presenting numbers there is an intangible aspect- Ricky
17 Bordallo, built a circle up there at the old hospital, The statue right over
18 here, the bridge in Umatac- What are those for? They make Guam
19 appealing to tourists. The quality of life- you have to enhance the
20 product. The tourism product. You know if you kill the people that are
21 paying for this marina and there are no people down here, and there
22 are no fisherman- they can't afford it any more. What are the tourists
23 going to do? Like the chicken that laid the golden egg, you can't kill
24 that chicken.

25 **Roy Brown:** You're right. Guam is about water sports. And the tourist are
26 now using the watersports. Why GVB is not helping us pay for these
27 marinas, is something I can never understand. I mean, you guys are
28 going to have another meeting on the subject. You said you're going
29 too. Before you make the decision on cost rate, have this meeting you
30 have got to ask us what we're making before you decide to take our

Marina User Group Outreach
Proposed User Fee Change

1 20% away from us. We're not making very much money on this. We're
2 not in California. We can't charge the same prices as them. If we do
3 then these tourists will go back to Thailand where they came from in the
4 first place.

5 **Alfred Duenas**: I believe at one point in time we developed seasonal
6 rates.

7 **Roy Brown**: Yeah. Commercial boats are already paying a higher rate.

8 **Alfred Duenas**: At one time we had seasonal rates. Through certain
9 months they charged this rate and then on other months, they are
10 charged another rate.

11 **Dan Bradley**: But how much is GVB paying? You're charging seasonal
12 rates for this guy, and this guy: But how much is GVB paying because
13 tourism is an important part of this islands economy.

14 **Alfred Duenas**: GVB is paying nothing and will continue to pay nothing
15 until we as a group approach them to pay something.

16 **Dan Bradley**: I don't see that in this proposal.

17 **Alfred Duenas**: Because like I told you earlier, my study on the numbers is
18 not yet completed.

19 **Dan Bradley**: I'm sorry, but by trying to tie into numbers, and the people
20 coming in is like not seeing the forest for the trees. The important thing is
21 Like Ricky Bordallo's concept, you can't count the number of people
22 going around the circle by the old hospital, the entrance way in to
23 Tumon? But you know, every tourist that come to Guam that go around
24 that circle, it looks nice, you got a statue and everything, but what's the
25 revenue there? More revenue and the tourism is up by 30%.

26 **Alfred Duenas**: Kudos to Ricky for thinking it up, but we don't have a
27 Ricky Bordallo now. And again, it's the numbers that talk. You present
28 the numbers, GVB understands them, the tourists themselves understand

Marina User Group Outreach Proposed User Fee Change

1 them, the legislature understands, without the numbers we can't move
2 that much ahead. We need numbers to start. Everything, every decision
3 made at the legislature deals with numbers. It has to come up. It is there
4 territory. We have to bring our data to comply with what their
5 methodology is.

6 **Glenn Nelson:** Indirect benefits associated with tourism activity in Tumon
7 equates to as much as \$20 plus million, being contributed, it's been our
8 chase.

9 **Felix Reyes:** There has to be justifiable, logical way for GVB to take an
10 initiative.

11 **Alfred Duenas:** That is why we all have to work together. Going up in
12 unison.

13 **Dan Bradley:** My position is I would like to see the Port act on our behalf
14 to show rather than come to us and say you guys gotta pay more. I'd
15 like the Port Authority to say let's get together and let's go to GVB, let's
16 go to the legislature. This is our proposal to go to these other agencies to
17 request funding. But that is not what is in the proposal from the Port
18 Authority, so it is kinda hard for you know me to grasp that you are
19 putting your arm around me and saying let's do this together.

20 **Alfred Duenas:** We gave you our starting point. This is what we have to
21 offer and this is what we need to continue the offer. Now, throughout
22 the night, a lot of different alternatives have come up so it's incumbent
23 on all of us. Like I said, to transmit this information to PUC, but again we
24 need your side to provide the same information at the public hearing.
25 And we don't want to say the Port suggested this and everything else
26 and nobody came in.

27 **Glenn Nelson:** Connected to the madness you got three ways of
28 conducting appraisals- cost, sales, and income. This particular study is
29 actually using the sales, the comparatives. It's not based on how much it

Marina User Group Outreach Proposed User Fee Change

1 costs, cost recoveries, or the amount of money we make. It's basic
2 comparison from one operation to that of another like size operation.
3 This is where the comments, suggestions come in. What we don't want
4 you to do is submit a comment to PUC saying no we shouldn't pay it,
5 GVB will do it because the administrative law judge will see for what the
6 law is. So although the alternative is there as well as many others that
7 were identified in the study, that will be emailed to each and every one
8 of you, you will come to realize there are other potential funding sources.
9 But, at the moment, we are chasing this particular comparative
10 methodology towards the rate structures simply to do one of two things:
11 make the rates common between all the Ports marinas as well as to
12 ensure that we are in line with like sized operations such as Saipan,
13 Hawaii, and well as some state side areas. And If I'm not mistaken, we
14 are the cheapest.

15 **Dan Bradley:** You know Marina Del Ray the reason they pay \$3k for a slip
16 is because there are hotels all around there - there is a lot of money
17 coming in from the private sector. Commercial guys there have a really
18 good chance at recovering his money. But I think state also realizes that
19 if they just blindly increase the fees to the point where it kills the industry
20 then nobody's gonna have anything. There won't be a Marina DelRay.
21 They're won't be any customers. They're won't be any boats. That is a
22 reality. That's a reality for people like, you know the guys that are
23 beaking out a living here. It's a cold heart reality. It's not a possibility
24 that some of these guys are talking can't afford \$300 a month more.
25 That is the reality. If it goes up \$300, he's out. And what do you have left?

26 **Roy Brown:** Can we invite someone from GVB to the next meeting? I
27 think that will be a real help.

28 **Alfred Duenas:** I will talk to their management.

29 **Roy Brown:** We need help.

Marina User Group Outreach
Proposed User Fee Change

1 **Glenn Nelson:** Just for informational purposes we didn't pay \$80k last
2 year. That was many years ago. It was only \$20k last year. Another alibi
3 that came to mind, so that everyone is aware of it, is that the current
4 user occupancy rate. Commercial and recreational Agana marina is 82
5 ½ and 17 ½. 17 ½ is your commercial operators. 82 ½ is recreational.

6 **Dan Bradley:** And your water fees, are you guys paying sewage?

7 **Alfred Duenas:** No, no. And we do look at the numbers every month to
8 see whether it's going up or going down. We try to get away with the
9 estimated billings.

10 **Dan Bradley:** What you're doing is right, but there is an importance at this
11 marina being here. It's above and beyond the nickel and dime costs to
12 Guam. There is an importance and value to Guam. Guam is a tourist
13 business. If we don't foster things that enhance tourism in Guam you're
14 killing the chicken.

15 **Roy Brown:** You guys are all counting these numbers of people going
16 down the docks and saying "holy Christ, these boats are making a
17 fortune". You know who's making the money on this are the agents
18 bringing the people into the island. Not us. We are bone thin on this.
19 We're having a dry dock next week, and that's gonna break me for the
20 year, it's gonna take everything I made for the year. There won't be any
21 other profit on it. The people that are making the money is the ones
22 bring them into the island. That's GVB. That's not us. Try getting those
23 guys involved here. Sorry Glenn you've been doing a great job tonight.
24 You really know your stuff.

25 **Glenn Nelson:** Your comments are going to be taken to heart. I am
26 almost certain that Mr. Duenas, come Monday is going to have us sit
27 down and put it together a plan of action and try to determine the best
28 path forward. But for our purpose again, tonight's meeting was to simply
29 our effort to provide that information on the proposed rates and to
30 ensure you are aware of the methodology that was used and the

Marina User Group Outreach Proposed User Fee Change

1 rationale behind it. What I've come to realize is that the study actually,
2 all we gave you guys was the actual cover sheet along with the
3 proposed rate structure. What actually should have been done was to
4 provide the entire rate study. For the most part, The ones that provided
5 the most comments, valuable all of them, are the ones who have not
6 had the opportunity to read the study. We will make sure it is available
7 via request or on the website at least for your purpose. First we will do an
8 initial mailing so it goes specifically to the users and then we will go from
9 there. Aside from that if there are no other comments I will like to turn it
10 over to Mr. Duenas to close it out.

11 **Alfred Duenas**: A lot of emotional discussion came about tonight and
12 that is to be expected because of the nature of the topic. I do not take
13 any of them as an offense or attack. I take it as needed information to
14 make a thorough analysis of rates and all things we have discussed
15 tonight we will provide the same information as a result of tonight's
16 meeting to the PUC. I likewise expect your participation at the PUC
17 hearing to express whatever it is that you expressed tonight and any
18 other information or ideas may occur between now and then. I will try
19 my best to contact GVB and depending on their availability because
20 they do promos off island, availability of their key staff, we will set up a
21 meeting with you guys.

22 **Roy Brown**: Bring someone from the press.

23 **Alfred Duenas**: It would be nice to bring both of them. GVB and the
24 press. But lets firm up the GVB portion first

25 **Dan Bradely**: Well they are a stakeholder

26 **Alfred Duenas**: well we will make them a participating stakeholder. So
27 that is it for tonight and thank you very much.

Tab 1C

PORT AUTHORITY OF GUAM
SIGN-IN SHEET

Marina User Outreach; Proposed Marina User Fee Change
January 19, 2018 6:00pm

Print Name	Email Address	Contact Number
Rita Carbullido	rcarbullido@portguam.com	477-5931 x484
Ryan Arrida	rjarrida@portguam.com	477-5931 x482
Carl Quinata	ciquinata@portguam.com	477-5931 x349
John L. Leon Guerrero	jleon.guerrero@portguam.com	477-5931 x485
Hot Brown	tasitauks@yahoo.com	688 0100
KATHY BROWN	kbrown@guam.net	680 0466
MANNY DUNAS	gfca@ite.net	727-5440
Dan Bradley	nanadan@guam.net	687-4326
Frank Quinata		
Peter Plummer		734-1325
MASAO TEMBATA	tembatacharter@gmail.com	687-2338
Takayuki Tsuji	colos9187@gmail.com	727-8787
Nick Captain	on file	472-1819
Sally	josecannicolas@yahoo.com	472-9077
Key Moore	wnitek@ite.net	689-4656
JAMES BARRA	jcb_96932@yahoo.com	482-8264
Dan Ridlon	daniel@guam.net	689 8989
FELIX S. REYES	efe.sara@50.yahoo.com	483-1904
JOAQUIN CRUZ	shutupandfishguam.com	777-2248
Joann Conway		x352
Vinnell Rodol Gonzalez	vinnell@guam.net	688-6907
HERTS LA GUTANG	hlagutang@yahoo.com	777-8500
Mark Anderson	markalho@yahoo.com	864-4185
Michael Duenas	mpduenas77@gmail.com	
ENRIQUE PANGELINAN	KICKICK@TELIGUAM.MICR	727-5457
DALIS S. ALVAREZ	dalosalvarez@gmail.com	888-1524
J. Arrida		472-5161
Ed Poffe		777-8701
Glen Nelson		x310
Alfred Duenas		x30

Tab 1D



TASI TOURS, INC.

P. O. Box 4941 Hagatna, Guam 96932

Telephone: (671) 477-2545

Cell: (671) 688-0100

Email: tasitours@yahoo.com



To; Port Authority of Guam

Re: Marina User Outreach; Proposed Marina User Fee Change

Email: ciquinata@portguam.com

Date: Feb 1, 2018

On behalf of Tasi Tours Inc. and Skoocumchuck Charters Inc:

In regards to the price increase for the marinas, we will reluctantly agree to the increase for our commercial boats on D Dock in Agat.

However, we fully support a "grandfather" clause for the elderly old timers that have had boats in the marina for years. They have earned the right to enjoy the marina, fishing or just "messing around" in their boats without hardship. They should be exempt from this increase with the caveat that if the boat is sold, the new charges will be levied on the new owner.

In regards to the \$1 per head proposed levy on each passenger, we strongly object and have offered an alternative method to increase funds for the Port while not "in your face" taxing a fragile tourist optional tour business. Notice the term "Optional tour". This is an industry standard term which means the tourist is free to determine whether the tour is desirable. A big portion of their decision making is the price.

There is an old saying...

"If you want less of something, tax it

If you want more of something, subsidize it"

We don't want less tourists participating in the water sports Guam bills as the premier attraction of coming to Guam. A "tax" of \$1 per head encourages the tourist to forego the optional boat tours for something less expensive. Like the beach. Or simply cross out Guam for a less expensive destination like Thailand, Bali, Vietnam.

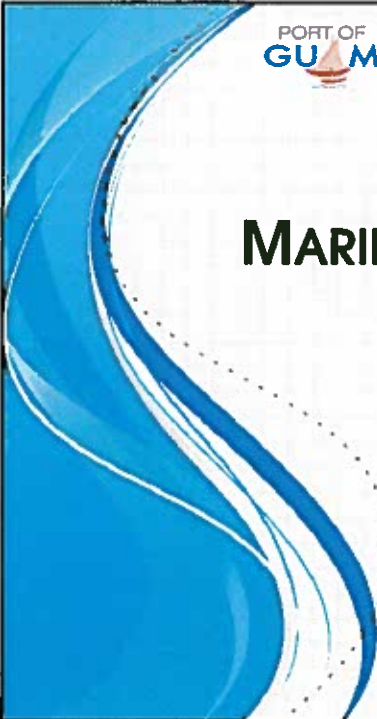
We do want more tourist participating in the water sports, so we should be "subsidizing" tourists to enjoy the dolphin watching, parasailing, scuba diving activities that GVB promotes.

GVB should "subsidize" the Port.

GVB is tasked with encouraging tourist to come to Guam. It's their mandate.

If they are unable to subsidize the Port under their current Budget, then the following is recommended. To fund their operation, a per night charge is incorporated in the Hotel bills. If Port has decided that \$1

Tab 2A



PORT OF GUAM PORT AUTHORITY OF GUAM ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port

March 19, 2018

MARINA USER OUTREACH

User Informational Outreach on the petition filed with the Public Utilities Commission for the Proposed User Fees for the Gregorio D. Perez and Agat Small Boat Marina

AGENDA

- Purpose
- Status of User Fee Change Petition
- Fee History and Proposal Recap
- Guam Visitors Bureau (GVB) Collaboration
- Public Comments and Questions

Purpose

- Second meeting for User Outreach on the proposed changes to certain user fees for the boating facilities under the jurisdiction of the Port
- Discuss the current status of the petition
- Collaborate in effort with GVB on alternate funding options

Status of User Fee Change Petition

- The Port filed the Rate Change Petition for the Marina Fees subject to this proceeding with the Public Utilities Commission on January 8, 2018
- On January 19, 2018, the first meeting for the Marina User Outreach was conducted at the Fisherman's Cooperative Association in Hagatna
- The transcript from the first meeting has been documented and will be submitted to the PUC

Fee History

- Marina Rates have not been subjected to any major revisit since the facilities were administratively turned over to the Port through Public Law 17-01
- Last change to the rate structure was done through the approval of the current Marina Rules and Regulations
 - Impact of then day rate change applied solely to the Gregorio D. Perez Marina
 - The rates for the Agat Small Boat Harbor were not affected
- Petition by the Port to modify fees filed in 2009 was denied by the PUC in 2011 for reasons related to the dilapidated state of the marinas

Marina User Fees – As Proposed (Recap)

RECREATIONAL

<u>Slip Length</u>	<u>Old rate</u> <u>(\$/ft/mo)</u>	<u>Recommended</u> <u>New Rate</u> <u>(\$/ft/mo)</u>	<u>Recommended</u> <u>Rate Change</u> <u>(\$/ft/mo)</u>
<u>Agat Small Boat Harbor</u>			
25'	\$5.50	\$5.00	(\$0.50)
40'	\$5.50	\$5.50	\$0.00
60'	\$5.50	\$6.00	\$0.50
<u>Gregorio D. Perez Marina</u>			
20'	\$2.00	\$5.50	\$3.50
30'	\$2.00	\$6.00	\$4.00
40'	\$2.00	\$6.50	\$4.50
OB	\$1.50	\$3.00	\$1.50

Marina User Fees...cont

COMMERCIAL RATE

<u>Slip Length</u>	<u>Old rate</u> (\$/ft/mo)	<u>Recommended</u> <u>New Rate</u> (\$/ft/mo)	<u>Recommended</u> <u>Rate Change</u> (\$/ft/mo)
<u>Agat Small Boat Harbor</u>			
25'	\$8.50	\$8.00	(\$0.50)
40'	\$8.50	\$8.50	\$0.00
60'	\$8.50	\$9.00	\$0.50
<u>Gregorio D. Perez Marina</u>			
20'	\$3.50	\$8.50	\$5.00
30'	\$3.50	\$9.00	\$5.50
40'	\$3.50	\$9.50	\$6.00
OB	\$2.50	\$4.25	\$1.75

Marina User Fees...cont

LIVE ABOARD RATE

<u>Slip Length</u>	<u>Old rate</u> (\$/ft/mo)	<u>Recommended</u> <u>Rate Change</u>		<u>Total</u>	<u>Rate</u> <u>Change</u>
		<u>Slip (\$/ft/mo)</u>	<u>(\$/ft/mo)</u>		
<u>Agat Small Boat Harbor</u>					
25'	\$162.50	\$125.00	\$100.00	\$225.00	\$62.50
40'	\$260.00	\$220.00	\$100.00	\$320.00	\$60.00
60'	\$390.00	\$360.00	\$100.00	\$460.00	\$70.00
<u>Gregorio D. Perez Marina</u>					
20'	\$120.00	\$110.00	\$100.00	\$210.00	\$90.00
30'	\$180.00	\$180.00	\$100.00	\$280.00	\$100.00
40'	\$240.00	\$260.00	\$100.00	\$360.00	\$120.00
OB	\$5.00/ft/mo	Varies	\$100.00	Slip Fee + \$100	

Guam Visitors Bureau

- Role
- Past attempt
 - (McCreadie Bill No. 160-33)

THANK YOU

COMMENTS AND QUESTIONS ARE
WELCOMED

Tab 2B

1 Marina User Group Informational Outreach
2 Second Mtg for the Proposed Marina User Fee Change
3 Guam Fisherman's Cooperative Association Facility
4 March 19, 2018, 6:00pm
5

6 **Glenn Nelson:** Today we will be touching up on several issues
7 regarding the Marina User Fee change as well as give you guys an
8 opportunity for comments, questions or whatever concerns you may
9 have. With me today, I have the Commercial division staff, Mr.
10 Quinata, Mr. Leon Guerrero, Ms. Carbullido, Mr. Arriola and we have
11 our boss here, Mr. Alfred Duenas. Now, before we start, I got to ask
12 again and this is very important folks, is, please sign in, put email
13 address so any and all information that we decide to put together
14 after this gets to you by the end of the week. So to press on, I'm going
15 to turn it over to Mr. Alfred Duenas.
16

17 **Alfred Duenas:** Good evening folks, like Glenn said, this is our 2nd
18 Marina User Outreach with the Tenants of the respective ports and our
19 goal is to explain the proposed fees to you as much as we possibly
20 could do and field or discuss any points or whatever after the
21 presentation. And with that we have Ryan Arriola who will be making
22 the presentation.
23

24 **Glenn Nelson:** Thank you Mr. Duenas and I would be remised if I did
25 not premise the meeting, Uncle Manny, thank you so much for hosting
26 us again.
27

28 **Ryan Arriola:** Hi Everybody, Okay... Okay so real quick I just want to
29 kind of cover the agenda. Tonight we'll cover the purpose, where
30 we're at currently with the petition; I'll cover the fee history and do a
31 recap of what the new rates are going to be. I know it says Guam
32 Visitors Bureau collaboration but unfortunately however, we don't
33 have Guam Visitors Bureau here with us tonight and then we'll do
34 comments and questions that you may have. Ok so the purpose here,
35 this is, as Glenn said, this is our second meeting here for the User
36 Outreach. We will discuss the current status of the petition and again,
37 unfortunately we don't have GVB here so we could go ahead and

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 move forward. Ok so current the status is where we were at the last
2 time. On January 8th, the Port filed with the Public Utilities Commission
3 to change, for the rate change petition. On January 19th we held our
4 first meeting here, which I remember some of you here. We have some
5 new faces here today and the last point there you'll see transcript from
6 the first meeting all your questions, concerns, and comments, those
7 were all documented and they will be submitted to the PUC along
8 with tonight. So whatever concerns you may have we will document
9 that and it will reach the PUC. The fee history. As you see the marina
10 rates they have not been subjected to any major revisits; however, the
11 last change to the rate structure was done through the approval
12 through the Marina Rules and Regulations. In 2009 the Port agreed to
13 modify, or it was filed in 2009 with the PUC. In 2011, for reasons related
14 to the dilapidated state of the marinas. As you remember the docks
15 out there they were not great form, but now we do, aside from Dock B
16 in Agat. Ok just a quick recap, I know majority of you were here last
17 time and we reviewed all the new rates. However, these are the rates
18 again. Some of you won't be affected, but majority of you will. As you
19 see, in bold on the last column those are the increases right there.
20 Increases and in one case there's a decrease. So those are for
21 recreational and on the next slide we'll cover commercial. So as you
22 see same again. We do have drastic increase; however, we do have
23 future plans as we mentioned last, our last meeting January 19th. Live
24 aboard as well. Those are just the new rates as you saw there. Right
25 there. Okay.

26

27 **Glenn Nelson:** Okay folks, right now GVB, the latest and greatest is
28 basically there was an attempt by the Port to get them to come down
29 and listen to some of your ideas and one of the out growths from the
30 last meeting held on the 19th was basically, trying to identify alternative
31 sources to alleviate or negate the need for fee increases. Now, what
32 was mentioned in the past is, there was efforts done by the legislature
33 to do so, Uncle Manny actually spear headed that process. There was
34 a bill actually introduced by Senator Brandt McCreadie, It was Bill 160
35 in the 33rd Guam Legislature and one of the things that actually
36 proposed to do was to establish a \$2.00 fee for every tourist that
37 comes to the rock or to the Island for purposes of Marine Conservation

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 to include among other things Marina repairs. Now GVB for reasons of,
2 they just were not able to make it tonight. They wanted to be here but
3 they're busy themselves. But we do stand committed to that particular
4 process of trying to continue to work with them, to be that bridge
5 between you folks and them as well as to also be on your team, in
6 terms of trying to represent the issue on the potential options. The Port
7 is still going down this path for the petition. We understand that GVB
8 may be an option, but until we get to that point of something tangible
9 with GVB, our petition with the PUC will not be adjusted. So, and going
10 back to the beginning of the meeting when I said this maybe one, or
11 the second of what we expect to be a series of meetings. As soon as
12 we get GVB confirmation on a date and time, we'll see you folks again
13 and hopefully time permitting; you folks will come and join us for that
14 particular meeting.

15
16 **Manny Duenas:** I just want to speak a little on that \$2.00 fee. I just want
17 to share that information. This idea came up about 5 years ago, we
18 wanted to assess the tourist a \$2.00 fee as they come to Guam. And
19 basically it's to take care of all the marine things around Guam. We
20 have a bunch of canoe people out here, paddlers, that don't have a
21 canoe house. We can make it beautiful so that the tourists would want
22 to come and take their picture here. Our marinas are in disrepair.
23 Agat especially, we fixed Agana. So if we are looking at \$2.00 per
24 head. GVB chastised me for even coming up of the idea. \$2.00? Will it
25 kill anybody? I had dinner at Samurai, I went next door to the hotel
26 and I bought a little bottle of Green Tea. It cost me \$5.00. That's for
27 one Green Tea that I sell over here for \$1.25. So GVB hated me, Hotel
28 and Restaurant Association hated me for that. They chastised me in
29 front of Senator McCreadie but that's why he took it out of the bill. It
30 was in the Legislation. But all I ask was for \$2.00 to help us. 60% of the
31 tourists that come thru Guam come to our Marinas. 60%. And for us
32 local people, they are a burden for us. But let's fix up the Marinas. All
33 the Marina improvements, and Glenn can attest to this. Over 50% of
34 the funding's came from the fisherman. We have federal funds every
35 year. A million dollars that Agriculture has available. We have taken
36 that money and fix the Marinas, not to our benefits, but for the benefit
37 of tourism because we care about our tourists. The reason why Agat

MARINA USER GROUP OUTREACH

Proposed User Fee Change; March 19, 2018

1 was done A-Dock is because \$250K came from the fisheries funds. In
2 Hawaii, we convinced them to put money in that because the story is,
3 that if A Dock breaks, we go to B Dock and they will kick out the rest of
4 the fisherman, so we did that. It cost half a million, right? So we fixed A
5 Dock. The tourists were falling in between the docks and nobody
6 cared. I can't blame the Port. It's not their main mission. I'm trying to
7 find somebody that will make it their mission. But at the end of the
8 day, that stupid \$2.00 fee was shut down and maybe that's why
9 Brandt lost that election, maybe the Hotel and Restaurant Association
10 put a black list on him. But the guy tried to help us. So at the end of
11 the day I would just ask. You go to Palau, my understanding; you pay
12 \$35.00 or \$25.00 just to go in the water. Then you pay a departure tax.
13 I'm not saying we are going to go that crazy, but how come GVB gets
14 to get 50/60 million dollars to fix up Tumon all the time. I mean, I'm
15 glad they gave us monies for the Co-op, in their HOT bond, but at the
16 end of the day, we need to fix the marinas, we need to expand.

17

18 Several years ago, local companies were asking me, Manny, can we
19 get an 80ft dinner boat in here? I said No. Where are you going to
20 park? You can't park at inner marina. The boats at inner marina,
21 already every time it is low tide, they cannot leave. Hey Manny, can
22 we use your fuel dock to stage because it's the deepest spot in the
23 whole marina? I got no problem, so long as nobody's fueling. But at
24 the end of the day, we need to put money in the marina. And
25 fisherman, I'm sorry, tour operators, fisherman got your back.
26 fisherman got your back. With total cost, I think maybe close to 1.5
27 million for Agana Marina, the expense repair. We need to expand it.
28 We need 50 more slips. 60% of our tourists come here. We're not
29 embarrassed? I mean, I'm embarrassed every time I get Korean
30 customers everyday, 300 of them, and they stand in front of Co-op
31 and they take a picture of the stupid Co-op sign, and the rusted
32 building. I've even joked around with the contractor and said, Hey,
33 can we just save that part of building and just paste it on the new
34 building? Cause what happens when you get a new building? You
35 lose customers because they don't recognize it. But I didn't want to
36 make that long story, but personally, you guys, I'm being honest, the
37 Port Authority has done a fantastic job! I've been with the Co-op for

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 23 years, as its president and in 23 years, the last 10 years or 8 years has
2 been fantastic for me. I don't know who had the brain child, but at
3 the end of the day, we fix the marina and Agana looks beautiful. May
4 look hodge podge, but it looks beautiful. We have a new sea wall, we
5 have a new facility. Agat is what I want to worry about. And I'm
6 worried about the next typhoon because all those boats on A-Dock
7 are going to get slammed by B-Dock, and C-Dock and D-Dock until
8 we fix it. And all that money wasted on A-Dock. But we need to move
9 forward and I personally I feel that GVB should step up to the plate.
10 And even I think the latest Fishery Council meeting; there was a
11 recommendation that the Police, Fire, Customs and all these guys build
12 their own docks and stop using our slips. If you go to all the rescue
13 places around Guam, they have 3 or 4 boats. I don't know why you
14 keep buying boats? Honestly, Port Authority has 2. Just because the
15 federal money is available, doesn't mean we are going to do it. We
16 got a new police station at Sinajana, we closed down Agana. It
17 doesn't make sense to me, but at the end of the day, I was hoping
18 that GVB would be here. Like I said, they make a lot of money a year.
19 That's their money. They make it clear that that's their money, but I
20 think if they give the Port Authority even 2% or 3% of that money we'd
21 be hog heaven cause we can plan expansion and all the beautiful
22 things that we deserve as users, not just fisherman, not just tour
23 operators, but we can all live comfortably because we all have the
24 space. Right now, when the trailer boats come in, everybody is
25 bitching, everybody is moaning. Awe, they are using the water! Water
26 pressure goes down; they are leaving the hose on, let's shut off the
27 water. You know, we have to look at all these things, so that we can
28 live together and work together. I love the old Guam. I really hate the
29 New Guam ('Dilly Dilly'). That's one thing that Felix Camacho, I give
30 him all the respect for when he said this is *Guahan*. I said damn right!
31 because this is not Guam I grew up in. We started to hate each other.
32 We're fighting with each other. Fishermen are fighting with each other
33 and we are fighting with the government and we are not getting
34 support, but hell, at the end of the day, I just want to clarify the \$2.00
35 fee. And believe me, I was yelled at by GVB for being stupid. Thank
36 you.
37

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 **Glenn Nelson:** Thank you Uncle Manny and going back to Uncle
2 Manny, there's not been a stronger voice for the fisherman than Uncle
3 Manny. But that's how important that we feel that GVB's participation
4 in this particular process is. It's because they do, they are in the
5 position to actually assist us. Assisting us is at the same time assisting
6 you folks as well. The Port does stand committed to continue to get
7 GVB here, and again, because of scheduling conflicts and because
8 they are just busy with a whole bunch of advertisements, they just were
9 not able to make it tonight. But we are not going to stop asking them.
10 It may be next week, it may be the week after, but as soon as we get
11 some confirmation and something firmed up with them we will sit back
12 here with you folks and if nothing is happening with the PUC petition,
13 we will still provide you with an update, maybe things will change by
14 then. But the path is clear, going back to the initial meeting, this
15 petition is filed. We are staying the course folks. The petition is not
16 going to be amended because there is potential funding sources out
17 there. This is full disclosure and we are not going to retract the petition.
18 There is that process, going back to that first meeting we identified the
19 process by which, there are some new faces here so those of you that
20 were here, please bear with me. The petition filed with PUC actually
21 comes with its own process alone. The PUC, will, themselves hold
22 formal public hearings by which you folks, as well as the Port will have
23 the opportunity to again present the issue or justification as to whether
24 or not the proposed fees are just and unreasonable. So you folks still
25 have that opportunity to address our petition with them. You are not
26 going to be able to address GVB with the PUC. That's another process
27 in itself. I think for the most part, we are done with our agenda, Uncle
28 John, you're first. We are going to go through the public comment
29 and question portion of the agenda.

30
31 **John Taitano (Johnny Atulai):** Back to the rate increase, you say that
32 everything is related to the Public Utilities Commission? What
33 commission?

34
35 **Glenn Nelson:** PUC sir.

36

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 **John Taitano (Johnny Atulai):** PUC. The Public Utilities Commission.
2 You're an autonomous agency. You take your own money and you
3 make your own money and you deal with your own money. Why are
4 you increasing the load on us, cause I haven't seen any capital
5 improvements other than what was initially done with all the fisheries
6 monies, the federal government. Why are we doing a rate increase
7 when all we are paying for is water and power? And I don't see no
8 large increase of everybody, new occupants, or anything like that.
9 The only occupancy is the Chuckese when they utilize the water
10 system all night long. And they are not being taxed a dime. But those
11 are the most biggest users of this water system. And I can affirm that
12 with my whole crew and all the captains here, cause we are down
13 here every night at 5 and we see all this bullshit going on. And where's
14 the regulatory forces? Where are your enforcers? They are out
15 chasing handicapped disabled fishermen that are trying to make a
16 little something for lent and they are not chasing these guys, with no
17 lights, no license plates, no god damn safety equipment on their boats.
18 And that's their job, the Port Authority. You got 2 big boats now. But
19 we understand that you don't have anyone to drive the god damn
20 things. That where you should be putting your importance on them,
21 not trying to tax these guys that have been here for 50 years. And as
22 far as GVB's concerned, I know for a fact that they pay \$10 just to dip
23 their feet in the water in Palau. And they are not taxing anything on
24 them. We're going through hell of a problem now with our
25 government and its financial status and PUC shouldn't be telling you
26 what to do with your money or how to raise rates when they don't
27 generate any funds for you. Am I wrong? Am I wrong?

28
29 **Glenn Nelson:** It's not my position, but first, thank you for your
30 concerns. It's not my position to tell you you're wrong, but what I will
31 do...

32
33 **John Taitano (Johnny Atulai):** It's either right or wrong?

34
35 **Glenn Nelson:** Well, ok... The reason why the Port actually goes
36 through the PUC, and we actually went through this iteration back in
37 January 19. The Port falls, or is currently identified as the utility through

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 local law. So Public Law 30-52, the Port was actually placed under the
2 administrative jurisdiction of the PUC as it relates specifically to rate
3 setting, leasing all things, so basically when the legislature, when that
4 law was enacted it basically took us away from the Triple A process,
5 which was the standard process of, which is basically still the standard
6 process for most things. But when it comes to the actual rates, the
7 regulatory body that oversees the Port Authority of Guam, as it relates
8 to rates, is the PUC. That is a local mandate. That is why we go to the
9 PUC to file the petition. And as we spoke about January 19, is the
10 reason for, the manner by which the Port went about this rate increase
11 was through a sales approach. Although the Port did spend, within the
12 last six/seven years, 1.5 million, we didn't go to the PUC and say we
13 want to recover. Basically what we did was we went through this
14 exercise of identifying all like size ports within the region as well as in the
15 states. And based on comparable operations and maintenance,
16 where the fees consistent with. It's common, its similar with, most all of
17 us are familiar with this approach, is you go get an appraisal, and that
18 particular appraisal, to a certain extent basically quantifies how much
19 that house is worth, how much this house is worth and because they
20 are common in characteristics this is how much yours is worth. That's
21 basically what the Port had done. There was a science behind the
22 madness. We went to Saipan, we went to Palau, Australia, Hawaii.
23 Hawaii was the common model that we actually looked into because,
24 lessons learned in Hawaii are lessons for us to actually move forward
25 with. Hawaii, and one of the things we focused on January 19, and
26 the reason why GVB takes us back full circle, is the per passenger fee
27 for commercial operators. We know that there's a bunch of
28 commercial operators that use these docks, both docks, Agat and
29 Agana. And we do know that with that extraordinary activity comes
30 with a lot more wear and tear that simply would be expected if it were
31 just standard recreational or sustenance fishermen. We didn't
32 incorporate that within the petition, because we were not ready for it.
33 What was stated on January 19 was, Mr. Duenas actually had us going
34 out there and do the particular body count. See these are the
35 information that we are going to use along with your comments and
36 concerns, to sit down with GVB to come up with possible alternatives.
37 But going back to Uncle Johnny's concerns, 30-52 directs us to work

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 with the PUC and the manner by which we took, or the evaluation was
2 done in our petition, was the sales approach. Which is basically just
3 how much you charge in that region, for like size operations and what
4 we should be charging locally. And what we did find out is that we
5 are still even cheaper than Saipan. Any other questions, concerns?
6 Please if you don't mind, name first.

7
8 **Janus Mendiola:** My name is Janus Mendiola. I am a tenant here at
9 the Agana Marina. I've looked at the.., I didn't get through all this
10 research, but I will before the next meeting and go through it
11 thoroughly, Just for the face value of the September 26, 2017,
12 memorandum from the General Manager to the Marina Tenants, I'm
13 looking at these figures and consequently they appear to be a very
14 lopsided percentage in increase. It's specifically targeting smaller
15 vessels, okay. What you're doing is you're increasing the rates/fees for
16 smaller vessel to increase and create a disparity amongst those in
17 commercial and recreational use. So, just at the face of it, it looks as if
18 though there is an intent to raise the fees specifically for a single group
19 and not holistically, okay. That's the first thing. The second thing is, our
20 government has been known in its creation of this vehicle registration,
21 and I'll come to a relation to this in terms of fees, abandoned vehicle,
22 we need take care of abandoned vehicles, impose a fee, anyone
23 who owns a vehicle, assess them, \$15. Where are we at today with
24 abandon vehicles fees? Now they include the Safe Street Light Act.
25 Cause we need lights too, okay. By the way, how are the lights coming
26 along? The next one. We need safe streets. Well, now that's now
27 highway patrol. We need them on the streets to maintain the heavy
28 equipment vehicle operators out there and make sure they are
29 compliant, okay. And so far, all they've been doing is assessing more
30 fees and there is less results to those increase of fees ('Dilly Dilly'). And
31 so we are only just enabling the government to continue to impose
32 fees but not be responsible in those increases in fees. Now what
33 methodology, what mechanism you have in place to ensure that the
34 recreational increase, which is much higher than 50%, okay, is a direct
35 injury on anybody pursuing any type of fishing recreational wise. Now
36 we're not commercial fisherman, we're not assessing any or charging,
37 anybody to be on the boat, it's recreational. And that right there is a

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 red flag. That's a red flag because its fees are directed towards
2 recreational vessels. And that increase right there is a prejudice
3 because it's a selective process to get specifically to one area and it
4 shows in its percentages. That's a concern. That's like saying, hey look,
5 anybody out there in the middle class we're now going to make you
6 lower than the middle class now cause you guys make the most. But
7 you know, you guys with the commercial vessels and everything that's
8 making all this money, we're just going to take just a little, but we're
9 going to get the ones that are the majority out there recreational and
10 we're going to assess them more than we would with the commercial
11 users, and that right there creates a fight between commercial and
12 recreational, so how do you , how do you weigh this out? Now I looked
13 at the fact that you have the impact study from Captain and
14 Association, how they made that assessment, boy appraisals,
15 Captains, they do appraisals on some other appraisal companies out
16 there. They would assess your Chalan Pago home or your Yona home
17 with an equivalent value of a Tumon home. Now how's the
18 infrastructure on Yona and in Chalan Pago compared to Tumon?
19 Where's the money really going? ('Dilly Dilly') And it goes right back to
20 what I said about people paying registration fees, abandon vehicles,
21 safe street lights, you name it. And guess what happens. We are still
22 having the same problems out there. So what mechanisms are in
23 place to ensure that the increase is equal to or proportionate to that
24 increase where it benefits? Because I think if you walked into a store
25 and you pay \$1.50 for your drink and then a tourist comes in and pays
26 \$2.50 then there's a problem. There's going to be a problem. How
27 come he's paying less? How come I'm paying more? I think that's a
28 fair assessment that why is it going towards one direction? What was
29 the intent for that? Okay, so Captain's own appraisal says, his impact
30 statement says this is what it should be based on some other place.
31 Because that's how they do it. We don't have that infrastructure like in
32 that other place. We don't have that safety, we don't have that
33 quality of life that they have, we don't have that deep pocket from
34 congress that puts in money in their kitty. We have this problem were
35 we keep pulling out more money from each other and then we want
36 to fight with one another. Why are we creating a, obvious concern
37 here with selectively picking on one area, recreation? So is it about

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 the money? Or is it about the improvement? Because somebody is
2 going to get injured in this and it's not a physical injury, it's a financial
3 freedom to choose how to spend your money, and if you want to
4 impose on it on a recreational user more than you would on a
5 commercial user, how fair, how equal is that('Dilly, Dilly')? Thank you.

6

7 **Glenn Nelson:** Thank you Mr. Mendiola. Again, it's not our position to
8 actually sit up here across the table from you and debate any of the
9 issues, but to try and get to some of your points. You bring up the
10 disparity? And the level of increase between facilities. But one thing
11 you will see is parity. Where there was none. Parity in a sense where
12 you have Agat and Agana, but this particular initiative actually has
13 Agana marrying the rate structure in Agat. So it's one common rate
14 structure for all the facilities under the jurisdiction of the Port. Go back
15 to that analogy about the \$1.50 for buying the drink. \$1.50 in Agat,
16 \$.25 in Agana? There's a problem. From our end. From our side, right?
17 So again, it's just to right size of rates based on the science of
18 mythology of choice which is the Captains appraisal. And while he did
19 go out and assess, Tumon like properties in San Diego and down in
20 Australia, but more common, much of the substance within that was
21 used for the comparables, was Hawaii. And we do have a copy of the
22 study. It was made available at your request on the Port website. You
23 got private, you have federal, multiple sources of fundings for those
24 type of operations. What Captain did was he focused on the
25 government. Again, we are dealing with the like size operations.

26

27 **John Taitano:** Even private firms get federal fundings.

28

29 **Glenn Nelson:** Of course. But then again, they are not subsidized by
30 the local government. Like in our context, basically what we are trying
31 to do is, go back to January 19, one of the glaring things you would
32 see in all these rate structures, be it recreational, commercial or live
33 aboard. And let's go back to recreational, again we are not here to
34 argue, we are here to try and clarify.

35

36 **Johnny Atulai:** Well accept some of our remarks.

37

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 **Glenn Nelson:** We always accept your remarks. That's why I would
2 need you to speak up and it's being recorded and it will be
3 transcribed. But you look at the Agat and you look at the Agana
4 Marinas. Right now the old rate, if you go to that first column is \$5.50 in
5 Agat is what is currently being paid for recreational. In Agana, it's 2
6 bucks. I'm surprised certain people aren't saying why is Agana so
7 much cheaper than Agat.

8
9 **Johnny Atulai:** Cause Agat is in rubble. Like Manny says, if A Dock
10 goes down in a typhoon it's gonna wipe out B and C and D, G, H, I

11
12 **Glenn Nelson:** If A-Dock in Agat goes down, with the magnitude of
13 that storm, chances are everything else may go down. But for the
14 most part you got new docks in Agat, C-Dock, A, D and the new
15 floating dock. In that particular project, the Port spent \$900,000.

16
17 **Johnny Atulai:** That's a drop in the bucket.

18
19 **Glenn Nelson:** Well, it may be a drop in the bucket, but it's money
20 being spent by the Port.

21
22 **Johnny Atulai:** Well if they would not spend \$70,000 a month for the
23 retainer on their lawyer. 70 grand.

24
25 **Glenn Nelson:** Thank you for that comment uncle,

26
27 **Johnny Atulai:** You're welcome.

28
29 **Glenn Nelson:** but let's have it germane to the issue at hand. But Mr.
30 Mendiola, those are very, very valid comments. And again, any and
31 all comments that are made tonight, your next sir, will be transcribed
32 and submitted to supplement the initial meeting of January 19. Sir,
33 you're next, please use the mic so we can get you recorded.

34
35 **John Taitano:** my name is John Taitano right; I'm a resident of Las
36 Vegas, Nevada. I come here to paradise to fish. I have the oldest
37 boat here in this marina. I have the oldest boat in this Marina, okay. I

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 partner with Mr. Tomas Perez, who's uncle's named after this Marina,
2 Now, let's get back to this thing here first. You're comparing Agat to
3 Agana. When this marina was built back in the 1960's right, and you
4 can ask former Lt. Governor Paul Calvo, okay, cause he was one of
5 the guys that helped build this marina. That time, the money \$10,000 is
6 equivalent to 1 million dollars today. So the time difference between
7 Agana Marina being built and the time difference between Agat
8 Marina being built is over 30/40 years. Okay, apples and oranges.
9 Now, last October, I was notified about the rate increase, I contacted
10 former, who's that, Senator Nelson, who I was told was in charge of the
11 transportation, which is not true, I talk to Tom Ada who told me that
12 Frank Aguon was in charge of the Transportation. Well, I spoke to Frank
13 Aguon right, and this is the deal, to go up 225% on a slip fee ok is just
14 ridiculous. So, for example, let me use me for example: I pay \$80.00 a
15 month for a 40 foot slip, I only have a 28 foot boat okay, now what
16 you're asking me to pay is over what \$320.00 a month? That's piss
17 poor management. That is what that is called, okay. Now, talking to
18 some people from the Port, right, this is coming from the Board of
19 Directors, saying that if the recreational users don't like it, then get out,
20 alright. So there's the federal law called railroading, okay. Called
21 railroading. You can't railroad someone out here by raising the slip
22 fees 225% plus the current fee, okay. Now, the Port Authority manual
23 that was printed out in 2007 doesn't state anything about rate
24 increases for Agat or Agana. See, I researched this because I read
25 over 4,000 law cases here in Guam, which it sucks the way they
26 categorize it. Alright. I gave Mr. Roman right here all of the copies
27 and stuff cause I'm leaving. I come here 2 or 3 times a year to go
28 fishing, okay. So, this is what I learned. 80% of the maintenance being
29 paid here in Agat and marinas is being paid by the Department of
30 Agriculture, okay. Department of Agriculture is the one who handles
31 all of the bouys. Fine and dandy. This marina just like Agat was built
32 with federal funds, federal funds, okay. Now, the Port Authority, if they
33 used \$900,000 to improve Agat out of their own expense without going
34 getting federal grants then that their fault. That's not our fault, okay.
35 You cannot ping what's that the recreational user, and I agree with
36 him, and I agree with Mr. Taitano right there, you know. There's people
37 here right that don't work, that's how they make their living. You know,

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 unfortunately, I'm not one of those, okay, because I travel. Alright. But
2 let me tell you about my boat first. My boat is too damn big to be
3 hauling all the way up to Chalan Pago. I have 100 acres of property
4 up there but I can't bring my boat up there, because you what it
5 takes. I got a trailer it. I gotta take out my outriggers, I gotta take out
6 my rutter and I gotta take out my propeller. Then I have to have a
7 vehicle in the front and a vehicle in the back, because it's too wide.
8 So what other choice do I have? It's to pay for the slip right here. So
9 now, you guys are tying my hands, you guys are tying my hands by
10 raising up the fees up to 225%, okay. Last August I docked my boat
11 right over here, but not inside the docking fee, the Port. Outside the
12 gate, because I couldn't bring my boat in, because there was a big
13 hole, big hole, right there by the gate, okay. So I asked Mr. Leon
14 Guerrero if I can park there. I did. I got 10 days to do my boat. I
15 finished in 10 days and I brought it back in, okay. What Mr. Taitano
16 was talking about and what he's is, Mr. Mendiola right? What he's
17 talking about is maintenance. Who's going to maintain that? Who's
18 the watchdog to do that? Okay. I go up here man, I wash my boat,
19 every time I come in fishing I clean my boat right? Sometimes I get
20 shocked. I get shocked on the dock. Why? I was told that there's a
21 short. Is it being fixed? Today, I went fishing, I came back, I'm washing
22 my boat, I jumped back into my boat because I got shocked again.
23 So, all of this red tape, and all of this was that *bla bla quentos* is all you
24 guys want to do, okay? It's not going to push. It's not going to push it
25 right? Because what's that I'm not going to tolerate it. I'm not going
26 to tolerate from paying \$80 to go to \$320 a month. Oh, that's, that's
27 piss poor management now. What I can see, what I can see my friend
28 is that the rate increasing 5, 10 percent a year, slowly but surely to get
29 up there to Agat, okay to compare to Agat, alright. You go down
30 there man right now to the boat basin and you go to the ramp, you
31 would see all of the trash. I come over here, not only is Mr. Leon
32 Guerrero picking up trash, I'm picking up trash, underwear, t-shirt,
33 shorts from these Chuckese. You know how many hoses I went
34 through? Because they cut the hose and not only that, I don't mind if
35 they use my hose, but roll it back up. They just throw it back in the
36 water. Where's the Port Authority? Sitting down on the aircon driving
37 around. But you guys at the Port wanna be managers? You guys are

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 typical chamorro's wanna be the boss and not be the Indians. We
2 are the Indians here. I've known Mr. Roman for over 30 years. John is
3 my uncle. I just met him, was that like last year. You know, I met him
4 like 3, 4 months ago, prim? Alright, we're all chiefs. We're all chiefs.
5 You know what? You know what we have in common, we feed the
6 people of Guam fish. We help support the Co-Op. Because people
7 want fish. There are people here that fish and they sell at the hotel,
8 okay, for the tourists. But yet, you wanna penalize whose that the
9 fishermen. Let me tell you a story man,('tourism works') one day I
10 caught 28 mahis. I was so hungry I went over to Jamaican bar and
11 grill. So the owner of Jamaican bar and grill goes, hey John, I heard
12 you caught some fish? Let me buy it from you for \$1.35 a pound. I said
13 \$1.35 a pound for Mahi and you sell a 4oz Mahi for \$15.00? Oh, John,
14 but we only need the fillet. So I told him, you wanna know what I told
15 him sir? You can go from Alaska to New Hampshire to Europe down to
16 South Africa right and ask any fisherman, you can not catch any fillet
17 out there bro. The filet comes with the head, the bones, the taki and
18 the tail. Do you see what I'm saying. You see how we are getting
19 penalized by the businesses too. Bro, gas, gas prim is \$4.21 a gallon.
20 Diesel, I use diesel, is \$4.58 a gallon. The processing fee. When I go
21 fishing I spend \$600 and that's just on fuel and oil, not counting bait,
22 not counting ice. Not counting my time and not counting my life. You
23 know why I go fishing? One, I enjoy it and two, I wanna feed the
24 people of Guam. Just like Mr. Atulai does, you know? So look at these
25 rate fees bro, 225% above the existing, plus existing cost is just too
26 much. The Captains associations in Hawaii, they did the thing, none of
27 them are boat captains. They are just a realtor. They take numbers
28 and throw it in. Numbers don't work. Reality does, okay. This is not
29 Hawaii, this is Guam USA. You cannot compare Hawaii to Guam. The
30 amount dude 200,000 people here on Guam, Hawaii has over 3 almost
31 4 million people. If you want to do the number ratio like that. It's all
32 about the money right? That is what the Port is all about the money.
33 So check this thing out. Last December, okay, I spoke to Frank Aguon
34 and I text messaged Ray Tenorio, Ray Tenorio never answered me
35 back. Only Frank Aguon, so this is my reply that I sent Frank Aguon and
36 the PUC. Election year is coming up. How are you going to screw the
37 people of Guam, that you've been screwing for a long time? And you

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 noticed that when I'm talking to you, I'm looking straight at you,
2 straight in the eye, and when you are talking to us, you are looking
3 down on the ground. Buddy, I'm not trying to cause any problems, but
4 what I'm gonna do, what I'm gonna do is I cannot afford \$320.00 a
5 month. Haa! That's almost \$4,000 right? I pay \$960 a year and when I
6 go down to the Port I pay that whole \$960. Now, you expect me to
7 pay almost \$4,000 all at one time? And the maintenance sucks? They
8 got coral on the reef. I tell you what. I just put in a \$2000 propeller, do
9 you know why? Because whose that there's coral, there's about 7
10 spots with coral that you guys are supposed to clean up cause on low
11 tide, you can ask Mr. Frank Quinata, he says boy don't go out, cause
12 you're gonna hit the coral. Me being an *aguaguat* fisherman, no
13 Frank I'm gonna go. *Lanya*, I turned back around cause I hit the coral.
14 When we docked my boat, you can ask Frank, you can ask anybody,
15 Tommy boy, my propeller was bent. Now who's going to pay for that
16 propeller? The Port or me?

17

18 **Glenn Nelson:** You are.

19

20 **John Taitano:** I'm gonna pay for it right cause you guys failed to clean
21 up that coral. Which federal laws says that if the coral is more than 5
22 meters in diameter, the Port is responsible for clearing that thing up.
23 See, I'm not gonna sit around man, I'm gonna do my homework, I'm
24 gonna do my homework right because if we ever go to, whose that,
25 what you call that, public hearing John, public hearing right? I
26 emailed what's that Lou Sablan at PUC. When is the commission
27 going to vote on this?

28

29 **Glenn Nelson:** Ms. Lou Palomo

30

31 **John Taitano:** Lou Palomo right? No answer, okay. Hey Lou, I'm here
32 on Guam. No Answer, okay. So I think what's gonna happen is that
33 after election is when they are gonna bring this thing in, Right? Now,
34 this is the funny thing how I got my slip in October. How screwed up
35 this administration is. January 19th, this memorandum was written,
36 right, with 2 memos. 2 memorandums, okay. Memorandum #1 talk
37 about the increase for the Port Authority right about building a

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 warehouse and all that stuff, so they submitted that thing out so they
2 didn't submit memorandum number 2 that talks about Agat and
3 Agana, alright. Because when Mr. Tomas Perez informed me, he gave
4 me the piece of paper, and this doesn't talk about Agat or Agana
5 until later on I got the copy, the second memorandum in October. I
6 see, I smell something *poumata* around here, okay. Whenever you
7 want to do something according to law, you need to come up front in
8 writing with all of the documentation. Don't write a memorandum in
9 January and who's that submit everything out missing one page and
10 until October, I find the page, when it was given to me, okay. So, if
11 you guys wanna serve whose that the people of Guam, You're
12 Chamorro prim? Are you Chamorro?

13

14 **Glenn Nelson:** No.

15

16 **John Taitano:** Okay, Then what are you?

17

18 **Glenn Nelson:** I am Chamorro.

19

20 **John Taitano:** Okay, see, that's one lie #1. (Dilly, Dilly 2x)

21

22 **John Taitano:** okay, you're in that position, you're in that aboard. You
23 need not only to do your job but to serve the people of Guam.
24 Because whether you're appointed, elected, or what's that you
25 worked your way in there, you got to serve the people of Guam, man,
26 okay. I served 20 years with the United States Army. I went to combat
27 7 times. And did I kill anybody? I don't know because I was too
28 scared. Just like when I go out fishing, I get scared. I come back, I'm
29 all wet cause I've been sweating and scared, okay. I retired from the
30 police department over there in Las Vegas, dealing with idiots. I come
31 here, they still got idiots here, alright. Bottom line is, let's do the right
32 thing. Not for the money, the right thing. Because I'm gonna tell you
33 what, like somebody said earlier, somebody is going to get hurt.
34 Somebody is going to get hurt. You know, and that's not a threat.
35 That's not a promise, it's just shits happens man, shit happens. I'm sorry
36 about going up and down saying all the things I have to say, but what
37 I'm gonna do \$320, because you can find somebody that can pay the

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 \$320 or more for that slip I got. I need a 30 foot slip. There's no 30 foot
2 slips here in Agana, so I rent a 40 foot slip, okay. I don't go down to
3 Agat because I don't live in Agat. I live in Chalan Pago. That's, you
4 know, that's too much of a commute and not only in Agat, they steal
5 gas, they steal rod and reels, they steal GPS, radio, they even steal
6 engine boat covers. Because there is no security. You think that
7 padlock on that chain on the gate is gonna hold somebody. Hell No.
8 They go through the water. They go through the water and take out
9 the engine, take it under water and take it to, what's that, to where
10 ever they gotta go. So, apple and orange. One plus One is Two. Not
11 one plus one is three, we get more money, okay. So I think that's
12 enough and I hope I opened some doors here for some people.

13

14 **Glenn Nelson:** What's your last name again?

15

16 **John Taitano:** Taitano.

17

18 **Glenn Nelson:** Mr. Taitano, thank you again for your comments. You
19 know, we're actually here, whether I look at the ground or in your eyes,
20 it's coming from the heart. It's genuine. But my point is, we are here
21 to better define a process. That process as described, was the science
22 behind the rate, how the rate was determined. Saipan was used,
23 Australia was used, New Zealand, Hawaii. The reason why I kind of
24 favor towards Hawaii is because they had the per passenger and the
25 commercial fees specific to those purposes which we do not have
26 here. Now, going back to Mr. Arriola's presentation, go back 2 slides, is
27 one of the thing you will come to realize, since the port got the marinas
28 in the 17th Guam Legislature, many, many years ago. Yes, it's because
29 the Port had money, yes, because the Port had to invest, but one thing
30 that has happened in parallel since then. With every attempt to revisit
31 the rate structure, it's such a divisive issue, it's challenging to sit up
32 here and at some point, not take offense to some of the comments
33 being made, it's our job. We got to take it. And one thing common
34 since then till now, is because of the concerns, the disparity in the
35 pricing remains. It remains. That the reality. Why it wasn't address
36 then? I can't speak to it. But me, Mr. Duenas, Ms. Carbullido, Mr.
37 Arriola, Mr. Quinata and Mr. LG we are going through this process as

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 required by law to revisit a fee structure for facilities by which you are
2 valued tenants. Yes, we are asking to increase the rates. But we are
3 also describing, this is why brown, this is how, this is why. Is it final?
4 Absolutely not. Mr. Duenas has said this time and time again, the PUC
5 will determine if the rates go up or down. The last time the Port did it in
6 twenty 09, 2009. The PUC declined the petition because the Port
7 actually said, we're raising the rates to have it marry the rate structure
8 with Agat. The PUC said you didn't do anything in Agana. Why you
9 going to raise the rates? So the input then from the tenants was you
10 do something, you improve it, and then we will all be willing to pay.
11 Yes, we are getting help from the feds, but the Port is also spending so
12 much more in these marinas in the current business model then in the
13 last 15, 20 years. And we are not done yet. Agat, we are going to
14 Dock B. Agana, we still need to hit the outer basin and replace Dock
15 A. But before we go, and I actually said this in January. Going back to
16 the thing with the comments that concerns me, because one of the
17 things that is close to heart with us is full disclosure. Everyone has to get
18 the information; everyone has to get the notices. I believe you may be
19 referring to the Ports Tariff petition, the fee increase? Which is separate
20 and distinct from your marina fees. Yes, the rates at the Port are going
21 up, but that's for the cargo handling portion.

22

23 **John Taitano:** Right, Right.

24

25 **Glenn Nelson:** So that's separate. That doesn't affect you here as a
26 tenant. Yes it does affect you, but not with your relationship with us as
27 a tenant of the Marina. So, again, Mr. Duenas has said this many,
28 many times. The PUC is important. I know Mr. Taitano you said you're
29 in Vegas and you come to Guam 3 times a year? This hearing, they
30 do have a period of comment. I hope you're on Island, I truly do. Your
31 comments are going to be submitted but even if we submit the
32 comments, in our capacity as the facilitator of the process, it would
33 serve, it would behoove you folks to better submit, independent of this
34 particular process, similar to what you have done, so there's no
35 potential conflict. Because we're transcribing these minutes. But, there
36 will come a time when some questions maybe asked. I'm not going to
37 speak for Mr. Taitano who's in Vegas that comes to Guam 3 times a

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 year. I'll go to Mr. Perez. I'll go to Uncle Johnny. But for the most part
2 our job here tonight is to explain to you where we are and how we
3 came up with those rates, which we did in January and maybe, this
4 was to be that status... wasn't to go back to start off from scratch.
5 And I don't recall you being here in January. But we did go through a
6 more detailed presentation then. To the extent that much of the
7 information that was brought up during that meeting is now available
8 on the Port website. So I do encourage you to continue your research.
9 Captain's appraisal in its entirety is on the website, not just the cover
10 sheet but the entire, the entire report and the methodology. Captain,
11 yes, he relocated to Hawaii, but the cats from Guam and he still
12 operates, he still has business on Guam. But because his boy... he's just
13 working out of Hawaii for now. I'm sorry Uncle, you first Uncle.

14

15 **Manny Duenas:** I just wanted to clarify, Nick Captain is a real estate
16 guy and he's basing all of this on real estate. Marina is not real estate.
17 I've had the opportunity to work with the fisherman and the marina
18 operators in Hawaii for the last 15 years. And if you go down to the Ala
19 Moana, there are 2 marinas. There's Ala Moana Yacht Club, where
20 the rich people are and there's the public marina. The public marina is
21 basically maintaining itself for the last I don't know how many years.
22 But every time they talk about raising rates there is a big up roar. So
23 the rates are pretty much stabilized over at least 12 years that I've
24 known. Cause I know those people personally that use it. When
25 you're talking about the CNMI, there is only 1 marina in CNMI, Smilely
26 Cove (federally funded). That use to be private. The local
27 government took it over under the Sports Fish money. And they just
28 spent, I think maybe 8 years ago 1.2 million to upgrade it. It was only
29 20 years old. And yet they changed everything out. They found the
30 money through the Sport Fish fund. But its upgraded under the
31 Department of Land and Natural Resources Fishery Division. Cause I
32 know Richard Simmon, who passed away last year told me this whole
33 story. I mean he's dead and he can't verify his story but I asked him,
34 where did you get the monies. Oh, we just don't tell the feds we have
35 commercial operators ('Dilly, Dilly'). They use all their money. They got
36 brain enough. I'm not blaming you guys, I'm blaming the Department

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 of Agriculture cause they can get up to 3 million dollars a year, and
2 the matching you got, I think was 20 something percent

3
4 **Glenn Nelson:** 17 and a half percent.

5
6 **Manny Duenas:** yeah. At the end of the day, you save the Port a lot
7 of money. And the money is readily available. And that fund, Sports
8 Fish Restoration fund goes up to 3 million for Guam. A lot of years we
9 returned a million dollars cause we never touched that million dollar
10 mark. And that's where I have a problem with the Department of
11 Agriculture. You know these monies are being returned but like I said.
12 I'm very familiar with Hawaii's case and what Nick Captain put in his
13 report, which I haven't read but what you're telling me based on the
14 rate that you're offering and proposing is not the truth. He probably
15 went to the Ala Moana Yacht club, where they are paying at least
16 \$600 because it's a gated community, security 24/7. I have to show an
17 ID to get in the door and I had to show an invitation. We had dinner
18 there one night, the Fisheries Council. You can't just walk in like Agat,
19 Agana or any other place. You're paying for that security. And that's
20 all I'm saying is that I'm not criticizing Nick Captains report, and he's
21 probably the best real estate guy cause he made enough money to
22 move back to Hawaii where its more expensive. But at the end of the
23 day, I'm very familiar with the tourist and I can email some body
24 tonight and show you the numbers, but like I said, if he's basing himself
25 on the increase of rates, I don't thinks that's right. I can call Arnold
26 Palacios at CNMI, who was the chairman or director for the
27 Department Land and Natural Recourse. But they all tell me the same
28 story, they use the federal money, they maximize it, okay. GVB didn't
29 want to be here tonight, they don't care about their tourists. I wish
30 they would. But we can the other group is the Department of
31 Agriculture, we can have an MOU with them or how you guys want to
32 do it to spend the money., But at the end of the day I'm just so
33 disheartened that all these people are pleading with you guys after
34 the fact. We should have done this before, like when we worked on
35 the marina regulations over 10 years ago, right? We sat down, we
36 went through the regulation, the fisherman came in, we had series of
37 meetings. This is something that came, you know, I always joke around

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 that the greatest thing about my life right now is that I'm wearing
2 Depends. Cause I'm getting fucked all the time. (Ouch! Dilly, Dilly)
3 and the only orifice that I get fucked in is back side. And I really feel
4 that this is an injustice to us people to go ahead and go to PUC
5 without even consulting us. Because now you are washing your hands.
6 And I, Glenn, I appreciate the fact that you're taking the opportunity
7 to talk to us, but at the end of the day it's a dog and pony show. Like
8 the military buildup. You know, it's gonna happen. And all I care
9 about is opportunities for our people to continue to perpetuate
10 themselves in their businesses and be successful. This head tax, you
11 know for tourists on the boat, what happens when the channel locks
12 up? Are you gonna reimburse them for the head tax that they lost the
13 income for the day? That's what I told Nick Captain. You can't use
14 that. Cause we're not guaranteed to have tourists. Bus breaks down,
15 the tourists don't show up, are you gonna head tax them? But you
16 know, Glenn like I said, I appreciate all the effort, the time, I love all
17 the comments, but at the end of the day, it's pretty much a done
18 deal. Cause PUC is not going to listen to us, hell, they raised the water
19 rates, everybody's rates and then GPA gets a pay raise, Waterworks
20 gets a pay raise, they drive nice trucks, And we at the end of the day
21 get more rates. Rate increase.

22

23 **Glenn Nelson:** One thing, Uncle, thank you for your comments. One
24 thing I can say truthfully folks, if you're asking me if this is a done deal, I
25 work with the Port, I want to say it's a done deal, but it's not. The PUC
26 is the same regulatory body that denied the last petition. And the
27 approach of Uncle Manny, going to the study, yeah, the government
28 and the Ala Wais, they were all factored in, they were all identified.
29 But that is how this matter is the best approach with the PUC. It's a
30 science. You can go in there all hot headed, sometimes it works. It
31 worked the last time 20 times we tried to increase the rates. But now,
32 we are working with the very specific methodology to determine the
33 prevailing fees for your marinas. 200+ percent, ('Why') common rate
34 structures in between. And that's what this study is for. And the study is
35 available, Mr. Taitano, on the web, but if not sir, if you left your info, I'll
36 have it delivered to you.

37

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 **John Taitano:** Okay. I think that's ridiculous. I can see 5, 10, 20
2 percent. But 225 is just too much.

3
4 **Glenn Nelson:** I know. And those are things, valuable to the PUC.

5
6 **John Taitano:** You should know that, that is more, just unbelievable to
7 increase 225 percent

8
9 **Glenn Nelson:** What I do know, is that I've been at the marinas,
10 working with Uncle Manny and most of you guys. Is that when I first got
11 to the Commercial division, we wanted work on Dock B in the Agana
12 Marina. True story. Bill Payne was my boss back then. We kept trying
13 to get the facility guys to patch up the holes that existed in Dock B,
14 Dock A, Dock C. Back then, they were just *palaiing* the plywood on
15 the top. So for dock B, I alone with *defunto* Jerry Taimanglo, I said you
16 know what brown, this is too much. So I actually got up off the truck
17 and started stomping each and every deck, each and every plank. I
18 broke like 15, 20 and went back to work and said there's holes, better
19 do something now. Then they came and reacted. The condition of
20 your marinas from 2006 to present is an abundant contrast. You're far
21 from it. Back then you were dealing with 20 year olds, 20+ year old
22 wood structures, now you got aluminum, with the exception of Dock A,
23 the bottom is wood. And that, we are going to fix that. Uncle Manny
24 makes reference to Agriculture. The reason why we had to go with the
25 wood frame, composite top is I was or the Port was given 4 months to
26 spend \$250,000. What was thought impossible, rather than return the
27 money, we spent it. But we got what we paid for, wood docks. But all
28 the other iterations, procurement iterations that followed, aluminum, to
29 include Agat. But we just had to spend that money before we lost it. It
30 was just the first of many other projects totaling in the excess amount of
31 6.5 million dollars that was spent on your marinas. And the
32 methodology, again, going back to the rate change petition, the
33 methodology's there, I actually encourage you folks to read that
34 study. And make your comments specific to that study. If you find
35 holes in it, the PUC will sure as hell find holes in it as well.

36

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 **John Taitano:** So, so what you're trying to say is that the methodology
2 is the bible right that we are going to have to go by?

3
4 **Glenn Nelson:** For the most part, in terms of determining the value,
5 that's the basis by which I decided to move forward. Yes, I need to be
6 consistent with that model. If i go against it now, my petition is useless.

7
8 **John Taitano:** But it could be changed?

9
10 **Glenn Nelson:** Of course. And Mr. Duenas, I'm going to say this again,
11 this is not a done deal guys but we are here to actually facilitate the
12 process. And to make sure you guys understand to the greatest extent
13 possible where we came up with that madness. And in my mind it's
14 simple, we have the common rates structure for all the marinas under
15 the Port jurisdiction and within a year's time, with all brand new docks,
16 or docks in decent conditions.

17
18 **Frank Benavente:** Hey Glenn, my name is Frank Benavente, so you got
19 me as a fisherman on one hand and a tour operator on the other
20 okay. So, I've listened to everybody's voices, I've looked at your
21 screen of everything your proposing okay or your recommending, but
22 what I don't see and what everybody here doesn't see, now I'm a
23 keep it simple, stupid kind of guy, I'm a retired US Marine, okay, so Mr.
24 Taitano here, from the Army with seven combat tours, you're looking at
25 a Marine with 8 combat tours, okay. My thing that I don't see here sir,
26 is what are you gonna do with the money when you do increase the
27 fees?

28
29 **Johnny Atulai:** That's a good question.

30
31 **Frank Benavente:** Okay, #1, everyone said there is no security in Agat,
32 now what's coming around the corner, Mr. Nelson is this, summer
33 vacation. Any boat operator that operates in Agat knows that when
34 summer vacation comes around, it's like clock work. Every vessel
35 down there is broken into. So yes, our fence with a lock doesn't do it.
36 There's no camera system down there. Agana, the same thing. Like I
37 said, what's not up there. Keep it simple, stupid to sell this or to even

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 bring it to our attention, means you need to have a solution and to tell
2 us what's the money going to be used for. Now, Mr. Manny back here
3 he mentioned McCreadie, that's before my time, I wasn't back on the
4 Island when this was brought up, and we talk about GVB, I'm going to
5 be a little more harsh than the other gentleman that said it. GVB if
6 they really wanted to be, they'd be here. If they really had a voice,
7 they will be here. Don't put Guam Visitors Bureau on the title of GVB if
8 you're not going to support the men and women out here tonight.
9 ('Dilly, Dilly') So what I mean by that, and going back to Mr. Manny is
10 this, you had, they requested for \$2.00 they shut the man down. Right
11 now GVB is reporting hundreds and thousands of Koreans coming into
12 Guam. Do you see any Korean money coming to Guam? The answer
13 is no. We talked about this before. Korean and Japanese is two
14 different entities. #1, Japanese bring money to Guam. In Korea,
15 everything with technology they have is being bought and paid for in
16 Korea. So we don't make no revenue in Guam. ('Dilly, Dilly') Tour
17 operators here are going at the bear minimum price to operate their
18 vessels and take these tourists out. Why? Because they can only take
19 what's offered to them by these agencies here. No revenues coming
20 to Guam. So, Mr. Manny, Mr. McCreadie, I'm for an increase of \$2.00
21 so that GVB can pay us to operate and take care of their tourist in
22 which they don't wanna be out here tonight to support. ('Very will
23 said')

24

25 **Glenn Nelson:** Thank you sir.

26

27 **James Cafky:** My name is Jim Cafky, I own a recreational sailboat
28 down at Agat. What does the increases imply in the way of increase
29 or changes in services? Are you going to maintain the buoy markers
30 going out to the channel? When's the last time you dredged the
31 channel in the marina itself? I ground at low tide with my boat. And so
32 I came simply to find out what services will I obtain for an increase if I
33 receive any. If I am levied an increase. And I haven't heard that. I think
34 the points well raised.

35

36 **Glenn Nelson:** I appreciate the comment and the question...

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 **Janus Mendila:** Mr. Nelson one last thing, what's the sense of urgency
2 today that wasn't otherwise done so many times over, and I don't
3 want to elaborate, have you elaborate on why they didn't want to do
4 it, why it never happened the fee increase. What is the sense of
5 urgency today to have it increased at that magnitude, at that rate.

6 **Frank Benavente:** Because Trumps the president of the United States.

7 **Janus Mendiola:** What is the reason why, what is the intent to have it
8 done in such a quick PUC manner. What is the intent behind having it
9 done with such urgency.

10 **Glenn Nelson:** it's not a matter of urgency. If you look at the date, date
11 of the report, it's actually dated two years ago. So it took us a while to
12 get to this point. It's not something we simply woke up last year and
13 say okay brown we're going to implement this fee. But, going back to
14 Mr. Cafky's concerns, the particular rates again and I keep saying this
15 the study was actually put together in a manner by which the rate
16 structures were determined based on the sales approach. Not the cost
17 approach, not the income approach, but the sales approach.
18 Comparables. So that's how the study is designed. That's how it's
19 being used to determine or for the basis of our petition. The dredging
20 that's needed in Agat Marina, Army Corp we actually have an
21 agreement, they're going to do a study. For many years we actually
22 just spoke about this in January, for many years since we've been at
23 the Port, we've basically sat across the table from Army Corp. We took
24 a simple position, the design of the marina is flawed because of the
25 shoaling that's taken place at D dock. And for many years Army Corp
26 came back and said no there's no design flaw. So in recent years, two
27 and a half three years ago we basically said okay, so, how do we
28 address the issue of the adjacent shore side erosion into the marina.
29 Two years gone by we actually have an agreement in place with Army
30 Corp so they can perform the study to determine what, if any
31 assistance, may be provided to us and at what cost, so we could get
32 the place dredged for that purpose. But again, the rates, is right sizing
33 the rate structure. In terms of O&M, we spent nine hundred thousand

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 Port local, nine hundred thousand. The maintenance is actually
2 required although we're doing the water blasting for the first time, the
3 first water blasting on Dock D since it was installed a year and a half
4 ago. It is, you don't really need to do much on a brand new dock
5 that's expected to last 25 years. But we are already doing our part.
6 And these are the increased services that we expect to provide, fee
7 structure approved or not, we're still going to get those docks
8 maintained. Mr. Taitano says he got shocked, that's pretty concerning
9 because I've never heard anything from him. And I, along with my
10 folks, are the people that report to this man. So, these are the things
11 that we need to address. And I'm actually thankful that we went
12 through this meeting although we are kind of jumping off the topic.
13 We're learning how best to better serve you folks. Anybody else?

14 **Johny Atulai:** Are we open for public discussion?

15 **Glenn Nelson:** Okay, Mr. Webber. Anything?

16 **Lee Webber:** No the only thing I have to say is you're getting beat up
17 pretty bad.

18 **Glenn Nelson:** Yeah, that's my job sir.

19 **Lee Webber:** You can avoid it by simply providing better service. If you
20 provided the type of service as you plan to charge for these
21 arguments wouldn't be here. That's the dilemma. There's a, there's a
22 piece of dock over here that I wanted to fix, but I'm fearful of fixing it
23 because you guys will come after me. Or you'll say I got to go get an
24 Army Corp of Engineers permit to do that. Well it might be illegal, but
25 you really don't. You guys do stuff that's illegal all the time.

26 **Name at 1:14:57:** Yeah we're in Guam.

27 **Lee Webber:** Well what's the sad thing is you allow that to continue
28 you cover it up with a steel plate and at some point somebody's
29 gonna get hurt or get killed over there. And, the responsibility is gonna
30 rest on your shoulders.

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 **Glenn Nelson:** are you referring to a dock facility on the outer basin?

2 **Lee Webber:** No the corner right here

3 **JR Howser:** Right here on the corner.

4 **Lee Webber:** it's right on the corner. You guys you guys put a big steel
5 plate over a big hole

6 **JR Howser:** It's an entrance coming in at the boat basin.

7 **Lee Webber:** On the right hand side. On the dry dock side. And you
8 charge us to use that place and we pay, but you don't fix it and you
9 make no attempt to fix it and you'll leave it like it is even if we want to
10 fix it then we get in trouble. Because then you'll come up with some
11 crazy cockamamie excuse that says well you can't do it because of
12 this can't do it because of that, but you don't make any effort to fix it
13 on your own. So I mean you're getting beat up tonight simply because
14 your own behavior. Um you got nobody to thank but yourself for this
15 stuff. It's just the government operates that way. It's like you know the
16 folks got told today that at seven thirty tonight they GPD guys have to
17 have a schedule for a thirty two hour work week. They got told that this
18 afternoon. What in the hell kind of management is that? You know
19 what kind of management shuts down public safety and health issues
20 and education before it shuts down all the other stupid stuff that runs
21 on the government of Guam costs tens of millions of dollars. The reality
22 is is that you're your own worst enemy man. You are. And you can fix it.
23 It's not hard. Costs votes, you could fix it.

24 **Glenn Nelson:** I appreciate that Mr. Webber.

25 **Lee Webber:** it's the same thing. Well, but you're dealing with the same
26 thing you're telling us to compare ourselves with a bunch of places
27 that aren't anywhere like us. Not anywhere like us. But, you can justify it
28 mentally by saying well they do it and they do it and they do it so this is
29 how we should do it. Well that's crazy. We should do it in manner that's
30 best for us. Not how Hawaii does it, not how Saipan does it, or anybody

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 else. I mean it's that simple. You asked me so I'm telling you. I was
2 quiet up until now.

3 **Glenn Nelson:** You're more than welcome to provide any comments.

4 **Vic:** Good man.

5 **Glenn Nelson:** But I will say this. It's something I said in January. Again
6 it's not my role to actually debate with any of you. Agana Marina six
7 million dollars and you make fifty thousand a year. There's no business
8 model in this world where that is correct. So, and again these are the
9 economics that most people are not ignorant but basically just tend to
10 forget that it wasn't too long ago that you didn't have a marina.

11 **Lee Webber:** That's not an economic model sir that's a political model.

12 **Glenn Nelson:** It's to also say that the government is actually doing
13 something. At some point, hey I'm trying not to... but at some point...
14 We've done much to the marinas. Some people will attest to it while
15 others will not. And which is, which is fine. But we are going to continue
16 down this path. And we are revisiting the rate structures for what is
17 likely documented as the cheapest marina possibly in the world and...

18 **Johnny Atulai:** Smallest island in the world.

19 **Glenn Nelson:** not necessarily true but... any and all information that
20 you guys need in addition to what has already been provided, that is
21 not already available on the web you're more than welcome to ask
22 any of us. You can channel any and all your concerns to Mr. Duenas
23 who's the acting general manager right now. But for the most part if
24 there's nothing else I'm going to close this up. Anybody else? And I'm
25 going to turn it over to Mr. Duenas for closing comments.

26 **Alfred Duenas:** Alright thank you very much for the comments and
27 everything else but just to let you know the Port has done something to
28 facilitate our relationship with the various the marinas just recently we
29 picked up Carl Quinata and Ryan Arriola who's function is to go out to
30 the marinas and take a look at em' and see what kind of

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 improvements and everything else that could be done. So these guys
2 just came on a few months ago. So again you know we are doing
3 something to reach out. We're not just sitting back waiting to collect
4 and increase the fees. We are doing something to be responsive to the
5 users to the tenants. The other part that will be happening very shortly,
6 probably within a couple of months we will have the closed circuit TV
7 circuit installed down in Agat and here in the Agana Marina. It's going
8 to take us that long to get the RFP for bid process to be perfected and
9 advertised and everything else so those are the things we have in, you
10 know, that we are doing to assist the tenants. The concern that I
11 gathered from the group tonight is that there is a high need
12 requirement or whatever to have the place more secured. Specifically,
13 at night. I believe that's where a lot of the damages are done.
14 Correct?

15 **John Taitano:** In Agat.

16 **Alfred Duenas:** and down here also or just Agat?

17 **Name at 1:20:54:** Down here too. Both places.

18 **Alfred Duenas:** So what we can do is increase our Port police patrol in
19 frequency and the length of time that they stay at the marina when
20 they pull in. So we can adjust our Port police schedule to provide that
21 service. I know recently down in Agat we fixed a few of the lights that
22 were out and I think there's maybe one left to be done. But that we
23 can do after hearing your concern tonight is request Port police to be
24 more frequent and to spend a little time at each marina instead of just
25 pulling in and pulling out. Just come in and maybe stagger their times
26 or whatever so that whoever is there won't once in a while you know
27 they're here after five after the hour get it done before then. I'll bring
28 that up with port police chief and see what we can do to increase the
29 presence of the port police at the two marinas. And see how that you
30 know how they...

31 **John Taitano:** Not only that they need to patrol they need to get they
32 ass out the vehicle and walk around.

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 **Alfred Duenas:** Well that's what I mean by spending more time down...

2 **John Taitano:** They don't walk around they just stay in the vehicle.

3 **Alfred Duenas:** Well I will bring that up to them, but park the car on one
4 end and walk over to the other end and do your visual inspections.

5 **Johnny Atulai:** Ok first of all, we understand, you are the messengers.
6 And it's always been my prophecy to never shoot the messenger. It's
7 the message. So you've gotten nothing but rebuttals in regards to your
8 rates. Now my question is something that's occurred since last October
9 that was supposed to have been brought up and we should've had
10 some rectification at this point in regards to the atulai. It is now Lent
11 and our people are hurting for fish. They're crying to me for fish. They
12 catch atulai in Agat as was televised and said over Facebook. They
13 catch atulai in Apra Harbor as well as Pago, Inarajan, Umatac, and
14 Talofofu. I've been catching atulai right here where my family's from in
15 Agana for the last sixty-seven years. Intermittent with time spent in the
16 military and getting educated. I'm seventy-three years old. Why can't
17 we follow our culture and not be inhibited by the Port police and these
18 regulatory forces that come out and put us on... make us look like
19 bandits. Compared to Apuron I'm not a bandit. But, yet we follow the
20 Catholics in their ordeal to abstain. But the thing is, six months and this
21 fish has done exactly what I've said it's gonna do since the time
22 began. But, listening to the Tagalos and the Pollock Gevacio the
23 Pollock down there whose not even a Guamanian we have been
24 restricted, handcuffed and the cry is out from our culture to catch and
25 do what we know that we do. This is a fishing port, has been since time
26 began. I'm seventy-three. I think I'm the oldest mother f... in here. And I
27 am definitely chained with the shackles of regulatory forces. Hopefully
28 it was taken care of years ago through the efforts of the Attorney
29 General, Glenn, Manny Duenas who was the direct... assistant director
30 of agriculture. By the accolades of the guys that know all about this.
31 But, because of changes, we wish to have our place put back in
32 position it was. Now the lady with the iron petty coat who isn't here,
33 who should be running for governor cause when I mention her name

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

1 at the last colossal gathering of all these informative wisdom people,
2 senators and stuff it was like they got tasered. I said where's Joanne
3 Brown? They were all falling to their knees like hey. But, we are destined
4 for public disotation, what's that word again? You're a lawyer.

5 **Janus Mendiola:** oh, civil disobedience.

6 **Johnny Atulai:** Civil disobedience, coming up in lent this Friday. And
7 hopefully we can get some kind of an okay for the purpose of Catholic
8 Church who is on bended knees now suffering from all the
9 reciprocating things that has been going on. We had Fest Pac. Spent
10 eight million dollars on those things over there. But nothing was said
11 about what the culture, fishing, or farming. Nothing. It was all dancing
12 the hula, jumping around, and these guys parading around with these
13 big shells and rocks around their necks and of young boys with tattoos.
14 All thinking they were warriors. But not one of them can throw a *talaya*.
15 Not one of them can go out and catch fish for their family. Our
16 newbies, were lucky. We got a young man right here who's up and
17 coming. And we give him every benefit of the doubt to succeed. And
18 he's in our blessings and prayers to succeed where the others are
19 falling aside. Keep our culture alive. I hope like we said we're not here
20 to shoot the messengers, you have a message and you represent the
21 hierarchy down there. It sounds to me like you're begging for money.
22 When money is so abundant like I mentioned that you can pay your
23 lawyer retainer seventy grand a month! Mr. Phillips, seventy grand a
24 month. Everyone is on austerity and cutbacks and shut down the
25 police station. But you guys must be doing something right because it
26 damn sure shows every time he goes to the bank at the end of the
27 month. So hopefully Mr. Glenn Nelson I'm going to get back to and we
28 can come up to some solution. And the only thing that failed was the
29 spineless man over at Department of Agriculture who refused to sign a
30 little affidavit saying it was fine. And we were premature in assuming
31 he was going to do something. So, to let you know, the fight is on.

32 **Alfred Duenas:** Alright thank you very much.

MARINA USER GROUP OUTREACH
Proposed User Fee Change; March 19, 2018

- 1 **Glenn Nelson:** Good? That's it folks thank you very much.

Tab 2C

Tab 2D

March 30, 2018

7/20/18
RECEIVED
General Manager's Office
Port Authority of Guam
Ninia L.
@ 0950

Public Utility Agency of Guam
PO Box 862
Hagatna, Guam 96932

Re: Proposed Marina Rate increase at The Gregorio D Perez Marina (Agana Boat Basin)

Hafa Adai Mr. Chairman:

First, I want to thank you for taking the time from your busy schedule to read my letter in response to a recent meeting that was held at the Fisher-man's Coop earlier, held by Mr. Glen Nelson, Port Authority of Guam's proposed rate increase to Recreational Boaters tenant fees. My name is John Q. Taitano and I am one of the tenants at the Gregorio D. Perez Marina (Agana Boat Basin) along with my Co-Partner Mr. Thomas Perez the nephew of the Late Gregorio D. Perez.

While I agree there are much needed improvements to the marina, the rate increase imposed at the rate of 225% plus current fee is extremely steep for our local recreational boaters. There also seems to be a disparity between the Hagatna and Agat marina as well as the fees for recreational boaters and commercial users. I am attaching my concerns and/or issues with my thoughts on how will best serve our local recreational boaters, our tourism industry and at the same contributing to improve what I believe will benefit, our government, our people and this island.

With the current shortfall in our Government of Guam and fuel increase, we should look at other ways and means to gradually improve the much needed repairs and maintenance of the marina, but more importantly is be more resourceful in reaching out to other agencies in both local and federal government.

Again, I thank you for allowing me to voice my concerns and I look forward to hearing from you soon.

Very Respectfully,



John Q. Taitano
(671)967-6046, (702)612-2065
200A Chalan Pahong, Chalan Pago, Guam

Attachments: 5 Pages: A copy of this Cover page and attachments will be hand delivered to the Public Utilities Commission and the Port Authority of Guam.

Cc: General Manager, Port Authority of Guam

RE: Proposed Marina rate increase at Gregorio D Perez Marina (Agana Boat Basin)

ISSUES and/or CONCERNS

BACKGROUND. A little of history about the Agana Boat Basin marina, this history was told to me by the older recreational fisher men. The Agana boat basin original name by the local people was called Guaduk Glida, which means a dredge bay that barges can enter to off load supplies to the island.

According to history and recalled knowledge from the Old folks, the Agana Boat Basin and Paseo was released or given to the Government of Guam by the Department of Interior with the intention that the two areas the Basin and Paseo will be used for recreational activities. Take this in mine that the Basin was built with federal funds. Through out the years Commercial recreational activities were implemented to provide activities to Tourism. With this mind, Charter Boats were allowed to move within the Basin.

The Agat Marina was a join venture by the Federal Government and the Government of Guam for business purposes in which later on the Federal Government gave the total responsibility to the Government of Guam. Take this in mine also, the Agat marina was built with Federal funds. That being said, vast maintenance and upgrades were conducted without Federal Grants from the Guam Visitors Bureau, Department of Agriculture, Federal Sports Fishing Grants, Government of Guam Funds, and other Federal grants not to mention. The Government of Guam failed to request or acquire these funds and on their own to use its funding to upgrade the Marina at their own expense.

According to hear say from Government employees at the Port Authority of Guam, it is told to me that the Board members stated that the rate increase is mandatory and if the tenants don't like it they can leave. A rate increase of 225 percent plus current fee for recreation tenant at the Agana Boat basin. As an example, in my case. I lease a forty-foot slip for my 28-foot boat (Querida), due to lack of any 30-foot Slips at the Boat Basin. I pay 80 dollars a month which was raised by 100 percent in 2009. So now, I pay 80 dollars for a forty-foot slip to be raised by 225 percent by the new proposal will now cost a monthly fee of 260 dollars. That is a major jump from what is currently paid without any improvements to the basin.

Local Recreational user of the Boat Basin and Agat marina who are not tenant but launch their boats at either marina do not pay a fee for parking of their trailer nor pay for the launching or their boat, nor pay for the usage of water to wash down their boat and trailer after launching their boat and truck and after fishing. With this issue, the marina is not kept cleaned due to trash being left at the area.

I can only speak for myself reference to the Agana Boat Basin. I currently own along with my Co-Partner Mr. Thomas Perez a 28-foot Uniflite boat, which is almost 13 feet wide. It weights over 8000 pounds. I do have a trailer for this boat but only use to dry dock the boat for repairs. To haul this boat home requires much labor, as the out riggers, Rutter, and propeller needs to be removed. Each time its haul on Guam Highways, and as you see with your very own eyes the conditions of the roadways with all the bumps, pot holes, and patches.. All removal needs to be put on prior to using making it inconvenience. Only other way is to remove the boat out of the water and park at the boat basin for free, which has a down fall for thieves to act.

CONCERNS/ISSUES:

- 1. Assessment:** No methodology was used other than rate increases without regard to criteria within the proposed definition. The so-called Methodology, is to take 50 percent of the figures from Hawaii criteria and apply towards Guam rates. There is no statement that show why or what the increase is for other than just the increase to compete the Agana Boat Basin and the Agat marina. Both marinas are within the same agency. Both marinas were built for different purposes. The Agana Boat Basin was primary built for the recreational user and the Barge to bring in supplies which was ceased due to the Commercial port being built. Eventually, Commercial Recreational venture was introduced to the marina. Agat was built to benefit the fishing in the Southern Part of Guam. Commercial Charters where primary based for larger vessels. Agat Marina is where the target fix is mostly focus on.

RECOMMENDATION: Get Federal Grants to enhance the Marina. Use other agencies to assist in making the Marina better, to include the University of Guam. The rate difference between Hawaii and Guam is a major difference. As Hawaii is a State and has more attractions, capabilities, and Services required for the people of Hawaii and its tourism industry. Guam is not near close to being a state or providing the services or meeting the standards to provide services provided in Hawaii.

- 2. Commercial Vessel: (Defined in Proposal Page 11)** A vessel or vessel operator that receives cash, credit, or any other form of valuable consideration for activities including, but not limited to, carrying passengers for hire, boat rental, with or without a pilot, parasailing, tow-boating, water skiing, or other trade or business where the vessel owner or operator must obtain a business license. This means Commercial user make money providing sports fishing, diving, dolphin watching, para-sailing, and other money-making aspects to businesses. This should not to be compared to recreational boaters. Each boat is identified by either commercial or personal use which is labeled on Port and Star Board side of the vessel.

RECOMMENDATION: Do not penalize the Recreation Boater by increasing slip fees to compete with commercial entities'. There is no comparison that when Recreational user make Zero dollars and Commercial make hundreds or thousands on a daily basis. Charge the tourism industry which is controlled by the Guam Visitors Bureau to collect the taxes accordingly. Charge a surcharge per tourism or local commercial individual users. In doing so you can minimize the tenants fee for both commercial and recreation and still gain profits. The disparity of the recommended slip fee increases between the Commercial and Recreational is that the Recreational boater is being charge at a higher rate. The fees between the Agana Boat Basin and Agat are not equally. By raising Recreational Boaters who are tenants at Agana Boat Basin by 225 percent is a process of being forced to give up their space. An increase of up to 10 Percent per year is the right way of doing business, this will give the Recreational Boater the opportunity to continue to be a tenant at the Agana Boat Basin.

3. **Recreational Vessel: (Defined in Proposal, Page 11)** A vessel used primarily for recreational purposes where no profit or payment is requested by or paid to the vessel operator or owner. By far is no way close to being competitive to the Commercial industry.
Recommendation: Paying for a boat slip is understandable at a reasonable cost. With the current cost, an increase of 10 percent per year is very reasonable. By doing this, this will allow Tenant Recreational boaters not to suffer the drastic, ridiculous, and unrealistic increase of 225 percent, which will cause hardship to those barely making ends meet.

4. **Non-Tenant Recreational Boaters:** Since there are more Local Boaters who choose to launch their boat at either marina currently are not being charge for usage of parking, water/power usage, trash removal from the marina, nor cleaning maintenance to the marina.
Recommendation: Charge the non-tenant a 10-dollar fee at either marina when using the marina on a daily basis. This is only a fair to the people, tenants, and the Government of Guam. By doing this is also reduces the money deficit and increase to the maintenance budget.

5. **CORAL.** The boat basin coral growing within the Agana Boat basin is a safety factor to all boaters and tourism. The growth of coral needs to be removed. By doing this, the safety of all and cost to damages to boats such as propellers, boat engines, and boat undercarriage.
Recommendation: Contact the necessary agencies to have the coral removed and do not accept no for an answer. The coral can be removed due to the hindering of boat traffic and Safety Regulations. Federal Grant can be requested for this removal. Failure to remove this coral will result in growth and blockage to boat traffic. If it could be done in other marinas it could be done in Guam.

6. **TRASH.** Manmade object such as a car engine in the water needs to be removed.
Recommendation: Get a crane or tow truck to lift out of water whichever is least costly.

7. **Water Outlet.** The Agana Boat Basin does not have and outlet for water to circulate. This causes water stagnation and pollution to the environment. Marine growth sticks to the slip platform and boats engine propellers and decks and walls within the marina.
Recommendation: An outlet needs to be made by dredging a passage for sea water to flow out of the marina. This will prevent both damage to the docks during typhoons or major tropical storms, marine growth to walls and decks, and damage to any boat due to lack of marina insurance to the marina in such an emergency. The outlet needs to be built closest to the west end of the marina closest to Marine Drive. This will allow sea water to completely circulate. Pipes can be placed under the road for water to flow, Sewer line pipes will make a good flow for water to circulate as long as it is deep enough for the water to go through.

8. **Security.** At both marina's there is no security provided. The Port police does make their rounds checking on a daily basis. During their patrols, the officers do not walk the perimeter to

ensure all regulation and safety practices are within or accordingly. In doing so, thieves monitor their timely patrols and act according to their absence. Report have been filed but not action has been taken to my knowledge due to lack of surveillance cameras or witnesses to the crime being committed. The time factor to respond is not within a timely manner due to travel time to from either place.

Recommendation: Station an officer or officers at each location as a deterrent to thieves. Create a Standing Operating Procedure for the Officers to adhere and enforce. Issue citations to all violators. Install surveillance cameras at each location allowing access to tenants for viewing only. Create a list of all tenants and contact numbers for notification, emergencies, and/or updates if needed by the Port Police.

9. **Contractual Agreement.** Tenants at either marina has a responsibility to up hold what is stated in the tenant's agreement and contract. The Port Authority needs to adhere to up-holding the agreement as well. Safety is everyone's responsibility to include the Guam Port Authority. The Guam Port Authority does not want responsibility as stated in their proposal as it is printed within stating in Paragraph 1.5.1 Standard Assumption and Limiting Conditions. Their failure to be proactive in the past years is being used to fault the Tenant Recreational boat user. Their failure to acquire all required documentation is their weakness.

RECOMMENDATION: Consideration must be taken to those Tenant Recreation user and not be compared to Commercial entities. (RECREATION VESSEL Definition 10 of Proposal) Profit or money should not hinder those Tenant Recreation Users, we also need to enjoy paradise. Request and Acquire Federal grants from all resources to enhance improvement to either marina. This government is not an island by its self, the Federal government is always there to assist with Grants. AGENCIES WITHIN THE Government of Guam can also be used to assist such as the Department of Agriculture, Department of Parks and Recreation, and the Guam Visitors Bureau.

10. **Maintenance and Repair.** It is said or known via Hear say that the Department of Agriculture provides 80 percent of the maintenance cost to both marinas. Figuring that the Guam Visitors Bureau contributes to the maintenance cost as a difference for the tourism industry. Which the slip fee covers a portion along with Federal Grants for all up grades.

RECOMMENDATION; Use the tool and available resources to manage daily operations. Don't take the easy wrong rather than the hard-right thing to do. Federal Grants are available, all it takes is for your agency to apply for. Document, document, document. That is the key factor in solving this issue. Listen to the people, rather than hindering the people for outrageous rates. Failure in the past is a lesson learn, from this day forward do the right thing. Gradually raise the Tenants Recreational Boaters fee at up to 10 Percent each year. Each year there will be more money from this increase.

SUMMARY: Listed above are my concerns and recommendations. I am proud to be a Chamorro and doing my part is my responsibility. The Guam Port Authority has the opportunity to make a

difference in a fair and righteous manner. As you all know that Tenant Recreation Boaters are barely making ends meet, but as a factor we fish to feed our family and relatives. For example; Gas and Diesel prices increase which make the economy rise. With this the income of the people remains the same. 99 percent of the local people to include visitors consume fish, what do you think is going to happen when price or cost inflates. Think of all those Recreation Boaters who invest in the fishing aspects, on how much they take out loans to purchase a boat, maintain the boat via mechanical and Coast Guard regulations, registering boat with the Guam Police Department. The fuel cost and time to go fishing in open water. Risking their life, to feed their family. For commercial boats it's the same cost, but instead they sell their catch to the Fishermen's Coop for a cheap price and make hundreds and or even thousands of dollars on a daily basis. Put yourself in our shoes, without the job you're holding and look inside. This will frustrate you also. I request that you take to heart with consideration to what you're proposing to the people of Guam and its visitors. I am only one person, and this is my concern. I am protesting your proposal for the unfairness of the slip fees as a tenant at the Agana Boat Basin, with the feeling of being railroaded into giving up my position as a tenant. Hopefully there is a Grandfather Clause since I have one of the oldest boats in the marina.

Thank you for viewing my concerns and hopefully you take into consideration. Please feel free to contact me via email or phone numbers provided.

Very Respectfully,



John Q. Taitano

Email: jonteritaitano@aol.com

Contact #: (671) 967-6046 or (702)612-2065

Tab 3A

Marina User Outreach Public Concerns and Responses
April 9, 2018

January 19, 2019 Meeting			
Concern	Date submitted	Date Completed	Status/Comments
Felix Reyes Agat Boat basin launch ramp wood rotten and bolts are sticking out damaging boats.	1/24/18	2/9/18	Bolts cut off. Replacement of rotted wood will require CIP to do a cost estimate.
Fuel Pier Facility. Are there any plans in making the fuel pier a pump out facility. There should be a balance between commercial and recreational users.			
Request for a copy of the Captain's report be made available. Dan Riddlon		1/22/18	Placed on website.
Trailer boat sticker fee for marina user fee More patrols to protect property at the marinas.			
Frank Quinata Is the Port Authority paying for sewage			
Jose San Nicolas Install video cameras			
Remove coconut trees to prevent any accidents Stray dogs		1/22/18	Contacted Dept. of Agriculture and requested for dog kennels. Was told to contact Agat Mayor's office for the kennels. Spoke to Agat Vice-Mayor and that the kennels are being used and once they are done they will place it at Agat Marina.
Spot light at the corner the marina grill should face the entrance and not the parking lot. Install cyclone fence along sidewalk at the Agat marina to prevent access to the docks via the seawall			
Remove all the trees in the parking lot Lighting to entrance of marinas			
John Taitano "Atulaj" Creation of a Mar'amko rate for tenants			
Dan Bradley Are there any federal monies for repairs			
What amount for the annual budget is offset by the federal government			
Is the Port looking at presenting a maintenance budget for the marinas to GVB			

Marina User Outreach Public Concerns and Responses

April 9, 2018

Felix Reyes			
There needs to be planning for quality of life user at the marinas such as a marina walk			
Are there any plans to build a marina or loading ramp between Agat and Hagatna			
Are there plans for the Marinas in the Ports Masterplan			
Manny Duenas			
Can a request be made to receive funds from the tourist attraction fund for marina repairs and upgrades			
Dept. of Agriculture should be in charge of the Marinas			
Roy Brown			
The alternate management regime will allow the private sector to raise rates.			
Enrique Pangelinan			
Does anyone in the PUC know anything about boating			
Issues with subleases, where both the original leasee and the sub-leasee pay the same amount			
Felix Reyes			
Overnight slip designation at each marina for temporary or emergency use			
Manny Duenas			
GFD, GPD, and customs should have their own funding to build out their own dock facility			
Frank Quinata			
Has an analysis been done on the revenues versus the expenditures ad identifying what the increase would cover annually			
We need to work on the response time when a report is made for repair			
We need to meter all the users for consumption of utilities			
Dan Bradley			
Is there a possibility for funding from GVB for repairs rather than raising the rates for the users.			
Roy Brown			

Marina User Outreach Public Concerns and Responses

April 9, 2018

Can an invitation to GVB be sent out for the next meeting			Invited to 3/19 meeting but was not available.
March 19, 2018 Meeting			
John Q. Taitano			
Police presence and interaction with tenants	3/20/18		Followed up with how Mr. Duenas opn this issue on 3/20. He stated that he will contact Chief Aguero on this issue.
Electricity shock on dock B, slip b-13	3/20/18	3/20/18	Informed Electrical on 3/20/18 and R.Cruz(RC) was sent out to take a look at the pedestal. In his inspection RC spoke to John Q. Taitano(JQT) and was informed that he only gets shocked when it rains. RC finished his inspection and didn't notice anything that could have lead to the shocking of JQT. RC made it a point to come out to the marina on rainy days to see if there were any repeat of the shocking. RC went out on days of light rain and heavy down pour and flushed the slip to try and create the same experience. RC was not shocked during these separate times.
Lee Webber			
End of the Dry dock, there is a portion eroding and may be compromised. Can he place a temporary fix until the problem is addressed with a permanent solution.	3/20/18	4/4/18	3/26 placed cement blocks and removed the steel plate to minimize any risk. Assessment done on 4/4 with CIP and Facility to see if work can be done in house. According to S. Delos Santos the work will need to be outsourced.